

MUNICIPAL HOME RULE
PILOT PROGRAM

City of Bluefield


2016
PROGRESS
REPORT

West Virginia State Code §8-1-5a (m) provides:

“Commencing December 1, 2015, and each year thereafter, each participating municipality shall give a progress report to the Municipal Home Rule Board and commencing January 1, 2016, and each year thereafter, the Municipal Home Rule Board shall give a summary report of all the participating municipalities to the Joint Committee on Government and Finance.”

The Municipal Home Rule Board has developed this standard format for Pilot Program participating municipalities to prepare and submit their respective Annual Progress Reports. The intent of this standard format is to gather and compile information in a consistent, easily understood, and efficient manner that will be used to develop a concise and practical summary report to the Joint Committee on Government and Finance.

Annual Progress Reports must be submitted electronically as an individual file in PDF format no later than the close of business on December 1, 2015 by emailing Debbie Browning at debbie.a.browning@wv.gov, West Virginia Development Office, West Virginia Home Rule Pilot Program, State Capitol Complex, Building 6, Room 553, Charleston, West Virginia 25305-0311, 304-558-2234.

A. General Information		
Name of Municipality: City of Bluefield		
Certifying Official: Thomas J. Cole	Title: Mayor	
Contact Person: Joshua D. Cline	Title: Assistant City Manager	
Address: 200 Rogers Street		
City, State, Zip: Bluefield, WV 24701		
Telephone Number: 304.327.2401 ext. 2402	Fax Number: 304.327.8670	
E-Mail Address: joshua.cline@cityofbluefield.com		
2010 Census Population: 10,447		
B. Municipal Classification		
<input type="checkbox"/> Class I <input checked="" type="checkbox"/> Class II <input type="checkbox"/> Class III <input type="checkbox"/> Class IV		
C. Pilot Program Entry Phase		
<input type="checkbox"/> Phase I (2007 Legislation) <input checked="" type="checkbox"/> Phase II (2014 Legislation) <input type="checkbox"/> Phase III (2015 Legislation)		
D. Attest		
I hereby confirm that I am the authorized official for this municipality and certify that the information submitted herein and attached hereto is true and accurate and that this report addresses each and every initiative included in the original Home Rule Pilot Program Plan Application for this municipality and any subsequent amendments, if applicable.		
Thomas J. Cole		12/1/16
Type Name of Certifying Official	Signature of Certifying Official	Date

Please use this page to report progress on each **non-tax related initiative** included in your Home Rule Application. Each non-tax related initiative must have a separate page.

Initiative: Disposition of City Property
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input checked="" type="checkbox"/> Administration <input type="checkbox"/> Personnel <input type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? May 26, 2015
If no, please describe challenges faced in enacting the related ordinance(s)
<p>SUCSESSES – In the space below, please provide a brief narrative highlighting successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>The City of Bluefield is in the process of acquiring properties to be used for economic development purposes and establishing a land use map in its comprehensive plan process. This includes participating in a Delinquent and Non-entered Land Sale for Mercer County. These properties are being purchased with the intent to turn them over for economic development. Currently, the city has not utilized this ability as it is still in the acquisition stage.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p> <p>The City of Bluefield has a Municipal Buildings Commission established in addition to this authority. We are also studying the establishment of an Urban Renewal Authority, Economic Development Authority, or a Land Reuse Agency. Determining the best “fit” for the municipal government for future property acquisition/ownership/disposition is a priority for the city administration. Understanding what model works best for the long-term goals and strategies to be set forth in the comprehensive plan will help us select our best way forward.</p>

Initiative: On-Spot Citations
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input checked="" type="checkbox"/> Administration <input type="checkbox"/> Personnel <input type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? May 26, 2015
If no, please describe challenges faced in enacting the related ordinance(s)
<p>SUCSESSES – In the space below, please provide a brief narrative highlighting successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>After retraining the staff to use this new ability, the City of Bluefield’s Code Enforcement Division utilized this new tool on twenty cases during the 2016 calendar year. This allowed the city code enforcement officers to have extra authorities when dealing with repeat violators of city codes. This has aided in cleaning up problem areas throughout the city. City code enforcement officers also cited enhanced penalties has given landlords more of reason to have their tenants act responsibly.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p> <p>City code enforcement officers found this tool to be extremely helpful in dealing with repeat violators. It also gave officers the ability to stop violators who “play the game” of getting a summons, waiting the time out, and waiting again for the code enforcement department to call again. This tool has given neighbors a better piece of mind that problem properties will be dealt with in a timelier manner.</p>

Initiative: Contracts with Other Jurisdictions Via Resolutions
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input checked="" type="checkbox"/> Administration <input type="checkbox"/> Personnel <input type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? May 26, 2015
If no, please describe challenges faced in enacting the related ordinance(s)
<p>SUCSESSES – In the space below, please provide a brief narrative highlighting successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>This initiative was implemented with the understanding it would allow contracts to not be held up an extra month for readings. Such contracts have not come to term at this time, but they will allow for quick passage at the time they are brought before the governing Board of Directors.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p>

Initiative: Procurement of Architect-Engineering Services
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input checked="" type="checkbox"/> Administration <input type="checkbox"/> Personnel <input type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? July 14, 2015
If no, please describe challenges faced in enacting the related ordinance(s)
<p>SUCSESSES – In the space below, please provide a brief narrative highlighting successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>Currently, city officials are completing a comprehensive plan for the municipality. This initiative will be utilized once those major projects are identified to cut the red tape in selecting the best firm. The City of Bluefield was awarded a \$2.4 million POWER grant to redevelop the former freight station into a Commercialization Station where dirty incubation space will be available for entrepreneurs. The revitalization of this building will allow this provision to be utilized.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p>

Initiative: Exercise the Same Authority as the ABCA
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input checked="" type="checkbox"/> Administration <input type="checkbox"/> Personnel <input type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application <input type="checkbox"/> or a plan amendment <input checked="" type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? September 13, 2016
If no, please describe challenges faced in enacting the related ordinance(s)
<p>SUCSESSES – In the space below, please provide a brief narrative highlighting successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>City restaurants have hosted their first Sunday brunch meals, beginning in October. Restaurants are working with the city to capture a financial picture of the benefit of offering Sunday brunch. A report will be generated in the 2017 year.</p> <p>A copy of the ordinance has been attached.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p> <p>The City of Bluefield initially requested the ability to have policing authorities. During the meeting with the Municipal Home Rule Board, many questions were raised on the question of policing authority. The City of Bluefield decided to revoke this item out of its plan. The letter issued to the Municipal Home Rule Board has been attached.</p>

Please use this page to report progress on each **tax related initiative** included in your Home Rule Application. Each tax related initiative must have a separate page.

Initiative: B&O Tax Reduction and Retail Sales Tax Implementation
Was this tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? October 11, 2016
If no, please describe challenges faced in enacting the related ordinance(s) The City of Bluefield has recently hired a new treasurer. Time has been given to allow her an opportunity to settle into her position, correct necessary issues, and advance her own series of changes in the Treasury before the city undertakes this initiative.
REVENUES – In the space below, please provide a brief narrative highlighting revenue amounts and revenue categories realized; revenue amounts and revenue categories reduced; net revenue gain; and, any metrics used to track performance.
SUCSESSES – In the space below, please provide a brief narrative highlighting projects, improvements, programming, etc. realized through the implementation of this revenue initiative and any metrics used to track performance. The ordinance was passed on October 11, 2016. It will take effect July 1, 2017. The city reduced four categories of B&O: Retailers and Others – 0.5 to 0.25; Water Companies – 4.0 to 3.75; Electric Light/Power Companies – 4.0 to 3.5; Gas Companies 3.0 to 2.75; Contracting Business 2.0 to 1.75. The total reduction among those categories of B&O is estimated to \$312,100 and the estimated revenue is expected to be \$700,000. This should produce a net revenue of \$387,900. City officials are cautious and will be closely monitoring the 2017-2018 fiscal year budget. A quick facts sheet presented to the public during the public hearing and the ordinance passed are attached.
LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities. There remains, no good way to estimate the potential revenue. The City of Bluefield took its known retailers and estimated what a 1% sales tax would be. From there we calculated that result at 60% to show a conservative estimate of revenue.

An ORDINANCE enacting Chapter 3, Section 3-9, of the Code of Ordinances of the City of Bluefield, and amending Chapter 24, Article II, Sections 24-69 and 24-74 for the purpose of allowing certain Alcoholic Beverage Control Administration Class "A" license holders to begin serving alcohol at ten o'clock on Sundays.

WHEREAS, the City of Bluefield is a participant in Phase II of the West Virginia Municipal Home Rule Pilot Program; and

WHEREAS, West Virginia law prohibits the sale of alcohol before 1:00 p.m. on Sundays and, according to the owners of restaurants and hotels in the City, there is a market for brunch service on Sundays, and current restrictions on hours of Sunday alcohol service imposed by state law stifle Sunday morning brunch attendance; and

WHEREAS, the Mercer County Visitor's Bureau fully supports the City's use of Home Rule to allow earlier Sunday alcohol service in Bluefield to enhance the City's image in the eyes of business and leisure travelers and enrich the experiences of visitors to Bluefield; and

WHEREAS, the City has determined that allowing alcohol sales at Sunday morning brunch service within the City will produce more revenue and strengthen City/state sales tax revenues, and increase earnings for servers and other employees working in the hotels and restaurants in the City; and

WHEREAS, the establishment of an earlier Sunday alcohol service is another way for the City to meet its goals included in its Comprehensive Plan to promote the City as a entertainment and cultural destination, and to attract new residents and to retain its current residents; and

WHEREAS, as a participant in the West Virginia Home Rule Pilot Program, the City has the authority pursuant to W. Va. Code § 8-1-5a to permit certain Alcohol Beverage Administration "Class A" license holders to serve alcohol beginning at 10:00 a.m. on Sundays, subject to compliance with § 8-1-5a and upon approval by the West Virginia Home Rule Board; and

WHEREAS, the City has complied with the requirements of § 8-1-5a and has received approval from the West Virginia Home Rule Board to implement an amendment to its home rule plan and pass an ordinance allowing certain Alcohol Beverage Administration "Class A" license holders to serve alcohol beginning at 10:00 a.m. on Sundays.

WHEREAS, the duly elected governing authority of the City of Bluefield is the Board of Directors thereof.

NOW, THEREFORE, WITNESSETH the following Ordinance, effective August 22, 2016:

Sec. 3-9. – Sale of Alcohol on Sundays.

a) The purpose of this section is to reinforce the image of the City of Bluefield as the region’s destination for entertainment and culture, and to promote the City of Bluefield as a city that offers a range of lifestyle choices including the service of alcoholic beverages at Sunday brunch.

b) As used in this section, the term “On-Premises License” shall mean the following West Virginia Alcoholic Beverage Control Administration Class “A” licenses:

- i. Private Club (less than 1,000 members) – liquor, wine & non-intoxicating beer
- ii. Private Club (1,000 or more members) – liquor, wine & non-intoxicating beer
- iii. Fraternal Club (Non-Profit) – liquor, wine & non-intoxicating beer
- iv. Fraternal Club (Non-Profit) – non-intoxicating beer
- v. Tavern – non-intoxicating beer
- vi. Private Wine Restaurant – wine only
- vii. Private Wine Restaurant – wine & non-intoxicating beer only
- viii. Private Wine Spa – wine only
- ix. Private Wine Bed & Breakfast – wine only
- x. Brew Pub
- xi. Special Events (Fairs and Festivals) – wine & non-intoxicating beer
- xii. Special Events (Fairs and Festivals) – wine only
- xiii. Special Events (Fairs and Festivals) – non-intoxicating beer only
- xiv. Growler

c) Notwithstanding any contrary provision contained in the Code of West Virginia, the Code of State Rules of West Virginia, or the Municipal Code of the City of Bluefield, any entity or person possessing an On-Premises License shall be permitted to sell alcoholic beverages for on-premises consumption on

any Sunday, beginning at 10:00 a.m. All other terms and conditions imposed by West Virginia law or by the West Virginia Alcohol Beverage Control Administration or entities or persons possessing an On-Premises License shall remain in full force and effect.

d) The permission granted herein shall be revocable by City on a case-by case basis, upon determination by the Chief of Police in cooperation and consultation with the West Virginia Alcohol Beverage Control Administration and with the consent of the City Manager that a person or entity possessing an On-Premises License is creating a public nuisance related to the service of alcohol before 1:00 p.m. on Sundays, or is otherwise acting in a manner inconsistent with the intent of this section.

Sec. 24-69. - Interpretation.

In construing the meaning of the terms used in this article, the municipal court will accept and be controlled by the definitions contained in Chapter 60 of the West Virginia Code. Provided, that for persons or entities possessing a West Virginia Alcohol Beverage Control Administration On-Premises License, as set forth in Section 3-9(b) of this code, sales may begin at 10:00 a.m. on Sundays.

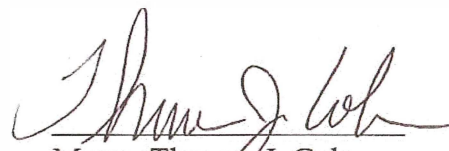
Sec. 24-74. - Sale contrary to alcoholic liquor control law.

No person shall, directly or indirectly, manufacture, manufacture for sale, offer, keep or possess for sale, furnish or sell, or solicit the purchase or sale of any beer, wine or intoxicating liquor in the city for delivery or use within the corporate limits or any other part of the state unless such person shall have fully complied with the provisions of the state alcoholic liquor control law and shall be a holder of a permit issued by the state Alcohol Beverage Control Administration and in force at the time. Provided, that for persons or entities possessing a West Virginia Alcohol Beverage Control Administration On-Premises License, as set forth in Section 3-9(b) of this code, sales may begin at 10:00 a.m. on Sundays.

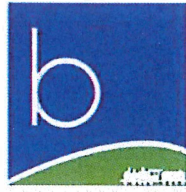
Passed on First Reading: August 23, 2016

Passes on Second Reading: September 13, 2016

Attest: Bobbi Kusey
City Clerk


Mayor Thomas J. Cole

Effective As of September 13, 2016
BK.



Bluefield, West Virginia
Nature's Air-Conditioned City

The Honorable Thomas J. Cole
Mayor
200 Rogers Street
Bluefield, WV 24701

July 12, 2016

Municipal Home Rule Board
c/o Debbie Browning
West Virginia Department of Commerce
Capitol Complex, Building 6, Room 525
Charleston, WV 25305-0311

Dear Members of the Municipal Home Rule Board

Thank you for the vote of passage on our recent Home Rule Program amendment. Our assistant city manager updated us today in our board work session on the July 11, 2016 presentation made in Morgantown. Our main priority was gaining the authorities granted under the provisions of the "Brunch Bill" and to change front door-to-front door distance requirements.

When our amendment application was up for review by the Municipal Home Rule Board we did not fully anticipate the third bullet point item on page two would raise such significant questions at that time. In our amendment application it reads:

"Grant proper policing authorities to, among other actions, investigate underage drinking in private clubs, enforce set last call, and closing times of such clubs."

It was not our intention to immediately begin utilizing this authority, and questions raised during the board's question session and public comment were excellent points of consideration. While we had planned to take considerable time and have extensive discussion on the matter of expanding policing authorities, it was further evident that this item should be discussed further at the municipal level before asking for the authorities by the Municipal Home Rule Board.

I join with my fellow board members and the city administration to state that we will not be utilizing the policing authorities section of our approved amendment to our home rule plan. Also, our ordinance will not include language pertaining policing authorities. We are satisfied at this time with the ability to allow our businesses to serve at 10:00 a.m. on Sundays and have the discretion to change distance requirements. We feel, as we stated in our amendment application, that this will give us an opportunity to better compete in the tourism and services arena. As we review future needs of the city, we will take a more targeted approach to our home rule plan items versus general themes.

(continued)

Assistant City Manager, Joshua Cline, will be present at the next meeting of the Municipal Home Rule Board to speak to this letter on record and answer any questions you may have. Please let us know if there are further comments or suggestions on this issue. Thank you for your attention to this matter and for your service to this worthwhile program.

Sincerely,

A handwritten signature in blue ink that reads "Thomas J. Cole". The signature is written in a cursive style with a large, prominent "T" and "C".

Thomas J. Cole
Mayor

TJC/jdc

Cc: Secretary Robert Kiss, Mr. Floyd "Kin" Sayre III, Mr. Brian Jones, Mr. Chris Fletcher, The Honorable Craig Blair, The Honorable Gary Howell, Mr. Joshua Jarrell, Mr. Ronald Moats, Ms. Lisa Dooley, Mr. Paul Ellis

(14) Growler.

(c) Notwithstanding any contrary provision contained in the code of West Virginia, the code of state rules of West Virginia, or the Municipal Code of the city, any entity or person possessing an on-premises license shall be permitted to sell alcoholic beverages for on-premises consumption on any Sunday, beginning at 10:00 a.m. All other terms and conditions imposed by state law or by the state alcohol beverage control administration or entities or persons possessing an on-premises license shall remain in full force and effect.

(d) The permission granted herein shall be revocable by city on a case-by-case basis, upon determination by the chief of police in cooperation and consultation with the state alcohol beverage control administration and with the consent of the city manager that a person or entity possessing an on-premises license is creating a public nuisance related to the service of alcohol before 1:00 p.m. on Sundays, or is otherwise acting in a manner inconsistent with the intent of this section.

(Ord. of 9-13-2016(1))

Editor's note—This section shall become effective July 1, 2017.

Sec. 3-10. Sales, service, and use tax.

(a) Definitions:

For the purpose of application, interpretation, and construction of this section, the definitions as set forth in West Virginia Code chapter 11, articles 15, 15A and 15B, shall apply, and the definitions therein are fully incorporated herein by reference.

(b) Imposition of a municipal sales and service tax:

(1) In accordance with the authority as set forth in West Virginia Code § 8-1-5a, effective on the first day of July, 2017, there is hereby imposed upon all persons or entities engaging in business within the municipal boundaries of the City of Bluefield a municipal sales and service tax in an amount equal to one percent on all sales made and services rendered within the boundaries of the municipality of the city, subject to the following:

- a. The base of the municipal sales and service tax imposed herein shall be identical to the base of the consumers sales and service tax imposed pursuant to the provisions of West Virginia Code chapter 11, article 15; and,
- b. Except for the exemption provided in West Virginia Code §11-15-9f, all exemptions and exceptions from consumers sales and service tax apply to this municipal sales and service tax; and
- c. Sales of motor vehicles subject to the tax imposed under West Virginia Code § 11-15-3c and sales of gasoline and special fuel are not subject to the municipal sales and service tax herein imposed; and,
- d. The municipal sales and service tax herein imposed is subject to the sourcing rules set forth in West Virginia Code chapter 11, article 15B.

(c) Imposition of a municipal use tax:

- (1) In accordance with the authority set forth in West Virginia Code § 8-1-5a, effective on and after the first day of July, 2017, a municipal use tax is hereby levied and imposed on the use within the City of Bluefield of tangible personal property, custom software, and taxable services, at the rate of one percent of the purchase price of such property or taxable services, subject to the following:
 - a. The base of the municipal use tax herein imposed shall be identical to the base of the use tax imposed pursuant to West Virginia Code chapter 11, article 15A; and,
 - b. Except for the exemptions provided in West Virginia Code §11-15-9f, all exemptions and exceptions from the use tax imposed pursuant to West Virginia Code chapter 11, article 15A apply to the municipal use tax herein imposed; and,
 - c. Uses of motor vehicles subject to the tax imposed under West Virginia Code § 11-15-3c and uses of gasoline and special fuel are not subject to the municipal use tax herein imposed; and,
 - d. The municipal use tax herein imposed is subject to the sourcing rules set forth in West Virginia Code chapter 11, article 15B.

(d) Credit against municipal use tax:

- (1) A person or entity is entitled to a credit against the municipal use tax herein imposed on the use of a particular item of tangible personal property, custom software or services equal to the amount, if any, of sales tax lawfully paid to another municipality for the acquisition of the property or service; provided, the amount of credit allowed shall not exceed the amount of municipal use tax imposed on the use of the property or service in the city. For purposes of this section the following definitions shall apply:
 - a. *Municipality* means a municipality, as defined in West Virginia Code § 8-1-2, or a comparable unit or entity of local government in another State; and,
 - b. *Sales tax* includes a sales tax or compensating use tax lawfully imposed on the use of tangible personal property, custom software or a service by the municipality or county, as appropriate, in which the sale or use occurred; and,
 - c. *State* includes the 50 states of the United States and the District of Columbia, but does not include any of the several territories organized by congress.

No credit is allowed under this section for payment of any sales or use taxes imposed by this State or any other State.

(e) Tax commissioner shall administer, enforce and collect taxes. The services of the state tax commissioner shall be used to administer, enforce and collect the municipal sales and service tax and municipal use tax herein imposed and the city shall coordinate such services with the state tax department.

(f) Municipal taxes imposed in addition to consumer sales and service tax and consumer use tax. The municipal consumers sales and service tax and municipal use tax imposed pursuant to this section shall be in addition to the consumers sales and service tax and use tax imposed pursuant to West Virginia Code chapter 11, articles 15 and 15A, on sales made and services rendered and taxable uses of tangible personal property, custom software, and taxable services within the boundaries of the municipality of the city and, except as exempted or excepted, all sales made and services rendered and taxable uses of tangible personal property, custom software, and taxable services within the boundaries of the municipality of the city shall remain subject to the tax levied by those articles. Further, the municipal sales and service tax and municipal use tax imposed pursuant to this section shall be imposed in addition to any tax imposed pursuant to the provisions of West Virginia Code § 7-22-1, § 8-13-6, § 8-13-7, and § 8-38-12, respectively.
(Ord. of 10-11-2016(1))

Secs. 3-11—3-20. Reserved

Home Rule Proposal #1: Implementing a 1% Sales and Use Tax



\$700,000

Total revenue estimated to be generated
from a 1% sales and use tax

**A good faith reduction in the B&O tax MUST be completed at
the same time as 1% sales and use tax implementation**

Category	State Maximum Rate (Rate/\$100)	Current City Rates (Rate/ \$100)	Proposed City Rates (Rate/\$100)
Manufactured Products	0.30	0.30	0.30
Retailers and Others	0.50	0.50	0.25
Wholesalers	0.15	0.15	0.15
Water Companies	4.00	4.00	3.75
Electric Light/Power Companies	4.00	4.00	3.50
Electric Light/Power Companies	3.00	3.00	3.00
Gas Companies	3.00	3.00	2.75
Contracting Business	2.00	2.00	1.75
Amusement Business	0.50	0.50	0.50
Rents and Royalties	1.00	1.00	1.00
Service Business or Other Calling	1.00	1.00	1.00
Banking and Loan Companies and Institutions	1.00	1.00	1.00

Estimated Revenue Loss from Reduced Categories

0.25% reduction on Retail (0.50% to 0.25%) = **-\$207,500**

0.25% reduction on Water Companies (4.0% to 3.75%) = **-\$7,400**

0.50% reduction on Electric Light/Power Companies (4.0% to 3.5%) = **-\$40,850**

0.25% reduction on Gas Companies (3.0% to 2.75%) = **-\$11,650**

0.25% reduction of Contracting Business (2% to 1.75%) = **-\$44,700**

Total Reduction of B&O = -\$312,100

The Bottom Line

Estimated Revenue \$ 700,000

Estimated Reduction - \$ 312,100

Estimated Net Revenue \$ 387,900

Note: All figures are presented as conservative estimates presented by the City of Bluefield administration

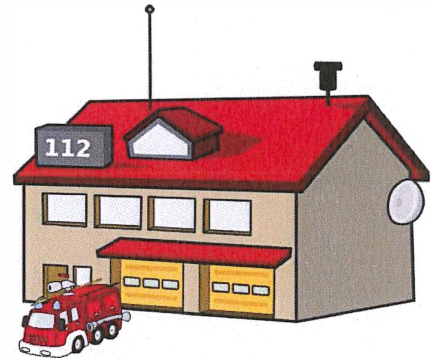
Where could additional revenues be invested?



Increase pension fund investments



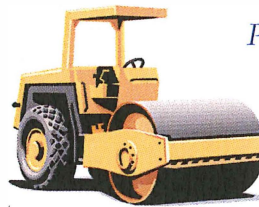
Raise the 'Rainy Day Fund'



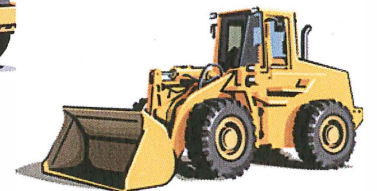
Build a public safety complex



Complete streetscape work across the city



Purchase needed capital equipment and make capital improvements



For questions or more information, please contact the City Treasurer or City Manager's Office at 304.327.2401