

RECOMMENDATIONS OF THE MUNICIPAL LEAGUE BOARD OF DIRECTORS  
ON SALES TAX DISTRIBUTION

January 20, 2012

APPROVED by membership 1-26-2012

Following eight months of discussion by the League's Sales Tax Task Force and subgroups involving dozens of members, recommendations were presented for revisions to the sales tax laws in St. Louis County. The League Board recognized that there were several overlapping areas of agreement in the two proposals which meet the principles of equity, fiscal improvement, and a stable plan for moderate change while avoiding extreme revenue gains or losses.

Based substantially on the overlapping proposals brought forth by members, the Board submits to the membership the following recommendations:

- Retain the current one cent sales tax law without change, except for the annexation adjustment noted below
- End the annexation adjustment that is paid to the County by each municipality from the one cent and the ¼ cent sales taxes. This amount totals 1.86% of the total sales tax to each city and yielded approximately \$2.4 million to St. Louis County in 2011.
- End the sharing of the ¼ cent general revenue sales tax so that all cities levying the tax receive revenue on a point-of-sale basis. All pool cities and the County received \$2.57 per capita from cities levying the tax in 2011. (See the chart for the impact on individual cities.)
- Support adding legislation for St. Louis County to levy a ¼ cent sales tax to be collected only in the unincorporated area so the County has the same opportunities as cities to raise money from this source should any local government feel they need additional revenue.

The Board also recommends that the formula for distribution of the sales tax be examined to determine if it can be simplified and audited.

The financial impact of these changes is shown on the attached spreadsheet. Below is an explanation of the columns on the spreadsheet.

Column B shows whether a city is point-of-sale (A) or pool (B). "A" cities with annexed areas have two listings.

Columns C, D & E are for informational purposes only and show 2000 and 2010 populations and the percentage change due to census that changed sales tax distributions in January 2012. *A summary of the impact of population changes is described at the bottom of page 2 of the chart.*

Column F shows 2011 receipts for each city from the one cent sales tax.

Column G shows the amount of sales tax each city generated within its borders from the one cent tax *No change to the one cent is proposed; these columns are informational purposes only.*

Column H shows 2011 receipts for each city from the ¼ cent sales tax (in cities levying the tax, listed in bold, or from sharing for cities not levying the tax, listed in plain text)

Column I shows the amount of sales tax each city generated within its borders from the 1/4 cent tax. *The proposed change would provide this dollar amount if the tax has been approved (in bold) or is approved in the future by voters (plain text).*

Column J shows the annexation adjustment each city pays to the county from the one cent tax only. The proposal would result in each city retaining this amount and the County no longer receiving it.

	A	B	C	D	E	F	G	H	I	J	K	L
1	1-17-12 Chart Reflects Overlapping Recommendations of the A & B Caucuses: Making 1/4 Cent POS, and Ending Annexation Factor.											
2	Also shows 2000-2010 Changes											
3	2011											
4	2011											
5	Municipality	A or B	2000 Population	2010 Population	Pop. % Change	1 Cent Sales Tax Receipts	1 Cent Generated	Receipts w/ Sharing	2011 Generated If POS	2011 One Cent Annex Adj		
6	Ballwin*	A	12,464	11,930	-4.28%	2,158,102	2,519,905	-	629,976	46,814		
7	Ballwin*	B	18,819	18,474	-1.83%	2,325,253	221,897	48,418	55,474	36,974		
8	Bella Villa	B	687	729	6.11%	84,885	7,959	1,768	1,990	1,350		
9	Bellefontaine Nbrs.	B	11,088	10,860	-2.06%	1,370,020	371,588	28,528	92,897	21,785		
10	Bellerive	B	254	188	-25.98%	31,384	104,465	20,150	26,116	499		
11	Bel-Nor	B	1,598	1,499	-6.20%	197,447	41,901	4,111	10,475	3,140		
12	Bel-Ridge	B	3,082	2,737	-11.19%	380,808	326,883	67,909	81,721	6,055		
13	Berkeley	A	10,063	8,978	-10.78%	1,115,811	1,136,932	247,470	284,233	21,122		
14	Beverly Hills	B	603	574	-4.81%	74,506	53,840	1,551	13,460	1,185		
15	Black Jack	B	6,792	6,929	2.02%	839,211	169,938	17,472	42,485	13,344		
16	Breckenridge Hills	B	4,817	4,746	-1.47%	595,183	317,250	77,677	79,313	9,464		
17	Brentwood	A	7,693	8,055	4.71%	3,298,680	4,699,028	1,015,741	1,174,757	87,298		
18	Bridgeton	A	15,539	11,550	-25.67%	4,063,293	5,328,788	28	1,332,197	98,997		
19	Calverton Park	B	1,322	1,293	-2.19%	163,345	13,640	3,401	3,410	2,597		
20	Champ	B	12	13	8.33%	1,483	102,701	31	25,675	24		
21	Charlack	B	1,431	1,363	-4.75%	176,813	130,715	3,683	32,679	2,812		
22	Chesterfield	B	46,802	47,484	1.46%	5,782,799	11,847,091	120,414	2,961,773	91,952		
23	Clarkson Valley	B	2,675	2,632	-1.61%	330,520	40,719	6,882	10,180	5,256		
24	Clayton	A	15,935	15,939	0.03%	2,381,892	2,627,795	570,348	656,949	48,819		
25	Cool Valley	A	1,081	1,196	10.64%	170,464	199,042	-	49,761	3,698		
26	Country Club Hills	B	1,381	1,274	-7.75%	170,635	44,079	3,553	11,020	2,713		
27	Country Life Acres	B	81	74	-8.64%	10,008	905	208	226	159		
28	Crestwood*	A	10,333	10,288	-0.44%	2,096,479	2,508,930	531,594	627,233	46,610		
29	Crestwood*	B	1,530	1,624	6.14%	189,045	32,545	11,662	8,136	3,006		
30	Creve Coeur*	A	11,956	12,747	6.62%	3,039,429	3,951,863	447,870	987,966	73,417		
31	Creve Coeur*	B	4,803	5,086	5.89%	593,453	789,718	109,271	197,430	9,437		
32	Crystal Lake Park	B	457	470	2.84%	56,466	8,101	1,176	2,025	898		
33	Dellwood	B	5,255	5,025	-4.38%	649,302	304,442	13,517	76,111	10,325		
34	Des Peres*	A	8,087	7,853	-2.89%	2,972,162	4,306,268	926,165	1,076,567	80,001		
35	Des Peres*	B	505	520	2.97%	62,397	618,119	134,846	154,530	992		
36	Edmundson	A	840	834	-0.71%	246,264	334,617	72,184	83,654	6,216		
37	Ellisville*	A	7,720	7,593	-1.65%	2,237,208	3,029,407	572,618	757,352	56,280		
38	Ellisville*	B	1,391	1,540	10.71%	171,870	192,293	47,771	48,073	2,733		
39	Eureka*	A	7,010	9,561	36.39%	1,740,608	2,245,772	-	561,443	41,721		
40	Eureka*	B	666	628	-5.71%	82,290	29,300	1,713	7,325	1,309		
41	Fenton*	A	3,822	3,626	-5.13%	2,572,653	4,387,198	-	1,096,800	81,504		
42	Fenton*	B	538	396	-26.39%	66,475	1,511,085	1,384	377,771	1,057		
43	Ferguson	A	22,406	21,203	-5.37%	2,542,736	2,590,869	561,341	647,717	48,133		
44	Flordell Hills	B	931	822	-11.71%	115,033	24,918	2,395	6,230	1,829		
45	Florissant	B	54,536	52,158	-4.36%	6,738,403	6,100,217	140,274	1,525,054	107,148		
46	Frontenac	A	3,483	3,482	-0.03%	1,234,815	1,771,395	373,700	442,849	32,909		
47	Glen Echo Park	B	166	166	0.00%	20,511	546	427	137	326		
48	Glendale	B	5,767	5,925	2.74%	712,564	258,359	69,533	64,590	11,331		
49	Grantwood Village	B	883	863	-2.27%	109,102	56,816	2,271	14,204	1,735		
50	Green Park	B	2,666	2,622	-1.65%	329,408	1,126,515	6,857	281,629	5,238		
51	Greendale	B	722	651	-9.83%	89,209	9,706	1,857	2,427	1,419		
52	Hanley Hills	B	2,124	2,101	-1.08%	262,439	36,892	5,463	9,223	4,173		
53	Hazelwood*	A	14,965	14,690	-1.84%	1,811,388	1,846,677	-	461,669	34,289		
54	Hazelwood*	B	11,241	11,013	-2.03%	1,388,925	1,625,737	28,913	406,434	22,085		
55	Hillsdale	B	1,477	1,478	0.07%	182,496	167,166	3,799	41,792	2,902		
56	Huntleigh	B	323	334	3.41%	39,910	9,299	831	2,325	635		
57	Jennings	B	15,469	14,712	-4.89%	1,911,331	816,952	219,821	204,238	30,392		
58	Kinloch	B	449	298	-33.63%	55,478	3,909	2,090	977	882		
59	Kirkwood*	A	26,561	26,539	-0.08%	3,090,199	3,144,255	664,380	786,064	58,413		
60	Kirkwood*	B	763	1,001	31.19%	94,275	1,534,255	333,077	383,564	1,499		
61	Ladue	A	8,413	8,521	1.28%	1,672,234	1,983,158	392,184	495,790	36,843		
62	Lakeshire	B	1,375	1,432	4.15%	169,893	18,260	3,537	4,565	2,701		
63	Mackenzie	B	137	134	-2.19%	16,928	604	352	151	269		
64	Manchester*	A	6,156	5,620	-8.71%	1,858,858	2,547,830	544,055	636,958	47,333		
65	Manchester*	B	13,005	12,474	-4.08%	1,606,882	227,176	89,821	56,794	25,551		
66	Maplewood	A	9,228	8,046	-12.81%	2,245,496	2,877,712	611,999	719,428	53,462		
67	Marlborough	A	2,235	2,179	-2.51%	239,003	243,527	53,228	60,882	4,524		
68	Maryland Heights	B	27,352	27,472	0.44%	3,379,581	7,006,818	70,353	1,751,705	53,738		

