

Council Memo

Department Source: City Manager

To: City Council

From: City Manager & Staff

Council Meeting Date: April 20, 2026

Re: Proposed 1% General Sales & Use Tax Dedicated for Public Safety on August 2026 Ballot

Impacted Ward: Citywide

Executive Summary

Voter approval is required to enact a 1% sales and use tax dedicated to public safety within City of Columbia city limits. If approved by voters, revenue from this tax would directly support Columbia Police Department (CPD) and Columbia Fire Department (CFD) operations, capital improvements, and pay/benefit programs.

Discussion

Staff has prepared an ordinance to ask voters to approve the addition of a 1% general sales and use tax dedicated to public safety. With Council's support, the question would go before voters during the August 2026 election for their consideration.

If passed by the voters, revenue from this sales and use tax would move to a new Public Safety Fund. This would separate Columbia Police Department (CPD) and Columbia Fire Department (CFD) expenses from other General Fund expenses. Staff anticipate this new sales and use tax would generate approximately \$38 million – this would be in addition to an annual transfer from the General Fund to support public safety.

Priorities for this dedicated revenue include:

- Increase Staffing (50 Police Officers over 4 years and 40 Firefighters over 4 years)
- Build New Police Facility
- Purchase Police Vehicles and Equipment
- Build 2 New Fire Stations with Apparatus
- Renovate 3 Current Fire Stations
- Develop Police and Fire Technology Plan
- Maintain Competitive Wages for City of Columbia Police and Firefighters

The dedicated 1% public safety sales and use tax would be limited for the use of CPD and CFD.

The current sales tax rate breakdown for the City is 7.975% and this is made up of the State of Missouri (4.225%), the City of Columbia (2%), and Boone County (1.75%).

The 2% City of Columbia Sales Tax Rate can be broken down as follows:

- General Sales Tax 1%
- Transportation Sales Tax 0.5%
- Capital Improvement Sales Tax 0.25%
- Parks Sales Tax 0.25%

Fiscal Impact

Short-Term Impact: Staff estimate approximately \$38 million from a 1% sales and use tax dedicated to public safety

Long-Term Impact: Staff are currently forecasting an annual 1% year over year increase in sales and use tax revenue

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Safe Community, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Comprehensive Plan Impacts:

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
None	None

Suggested Council Action

Approval of the ordinance placing the question of whether to enact a 1% sales and use tax dedicated to public safety on the August 2026 ballot.