



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: December 16, 2024

Re: An Ordinance Pausing the Scheduled Lifting of the Business License Fee Ceiling

Executive Summary

This ordinance is needed to pause the lifting of the business license fee ceiling. This pause is necessary to allow the City to engage with the local business community, gather input, and ensure a transparent, equitable process for revising the business license fee structure.

Discussion

The City of Columbia recently undertaken efforts to gradually adjust the business license fee ceiling over a period of 5 years. While these adjustments aim to modernize revenue generation and address the City's ability to provide essential services to businesses, concerns have been raised about the potential financial impact on the businesses we serve.

A pause of the current ceiling increase is being proposed at the maximum annual license fee of \$10,000, which is achieved at a threshold of gross receipts equaling \$40,000,000 annually. This pause will provide the City the opportunity to analyze the projected impact of any changes on small, medium, and large businesses as well as ensuring that adjustments are data-driven and sensitive to varying business capacities.

The City, in collaboration with the Columbia Chamber of Commerce, will work to hold a series of meetings with a group of businesses and City leaders to discuss the best way to move forward. We believe effective collaboration and input from stakeholders is essential to ensure that our changes align with the City's economic goals while supporting local businesses.

Fiscal Impact

Short-Term Impact: There will be no short term impact as current revenues will not be impacted

Long-Term Impact: N/A

Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Resilient Economy, Secondary Impact: Reliable Infrastructure, Tertiary Impact: Organizational Excellence

[Comprehensive Plan Impacts:](#)

Primary Impact: Economic Development, Secondary Impact: Livable & Sustainable Communities, Tertiary Impact: Infrastructure



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Legislative History

Date	Action
12/18/2023	B309-23 Amending Chapter 13 of the City Code relating to regulations for business occupation licenses and armed guards and security guards. B309-23

Suggested Council Action

Adoption of this ordinance as submitted