

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

When making inquiries relative to
this matter, please refer to the
Council File No.

Office of the
CITY CLERK

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SHANNON HOPPE
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Division

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December 9, 2011

To All Interested Parties:

City Attorney (w/blue sheet)

The City Council adopted the action(s), as attached, under Council File No. 09-1914-S11, at its meeting held December 7, 2011.

City Clerk
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TO THE COUNCIL OF THE CITY OF LOS ANGELES

Your JOBS AND BUSINESS DEVELOPMENT COMMITTEE

reports as follows:

JOBS AND BUSINESS DEVELOPMENT COMMITTEE REPORT relative to eliminating gross receipts tax for car dealerships that sell new cars in the City.

Recommendations for Council action, pursuant to Motion (Englander – Garcetti – Koretz):

1. REQUEST the City Attorney to prepare and present an ordinance to eliminate the gross receipts tax for car dealership that sell new cars in the City.
2. INSTRUCT the Chief Administrative Officer (CAO) and the Office of Finance to report back on the fiscal impact of eliminating the gross receipt tax for car dealerships that sell new cars in the City.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

On November 23, 2011, the Jobs, Business Development Committee considered Motion (Englander – Garcetti – Koretz) relative to an ordinance to eliminate gross receipt tax for car dealership that sells new cars in the City.

After consideration and having provided an opportunity for public comment, the Committee recommended that Council approve Motion (Englander – Garcetti – Koretz) relative to eliminating gross receipts tax for car dealerships that sell new cars in the City and added the instructions for the CAO and the Office of Finance to report back on the fiscal impact of such an ordinance. This matter is now forwarded for Council consideration.

Respectfully submitted,

JOBS AND BUSINESS DEVELOPMENT COMMITTEE

E.G.

DEC 06 2011-CONTINUED TO ~~DEC 7, 2011~~

<u>MEMBER</u>	<u>VOTE</u>
GARCETTI:	YES
LABONGE:	YES
PARKS:	ABSENT

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ADOPTED
as amended
 DEC 7 2011
see attached Motion
 LOS ANGELES CITY COUNCIL

MOTION

I HEREBY MOVE that Council AMEND Recommendation No. 2 of the Jobs and Business Development Committee Report, relative to eliminating gross receipts tax for car dealerships that sell new cars in the City, to read as follows:

2. INSTRUCT the City Administrative Officer (CAO), the Office of Finance, and the Mayor's Office to report back on:
 - a. The fiscal impact of eliminating the gross receipt tax for car dealerships that sell new cars in the City.
 - b. The number of dealerships that have expressed an interest in moving into the City and how quickly this can happen.
 - c. The immediate financial implications (positive or negative) for this current year's budget.
 - d. The amount of time anticipated that the increased sales tax revenue will fully offset the loss of gross receipts tax revenue.

PRESENTED BY _____

BILL ROSENDAHL
Councilmember, 11th District

SECONDED BY _____

ERIC GARCETTI
Councilmember, 13th District

December 7, 2011

CF 09-1914-S11

ADOPTED

DEC 7 2011

LOS ANGELES CITY COUNCIL