

BUDGET AND FINANCE COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to amending the Los Angeles Municipal Code (LAMC) relating to business taxes.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

PRESENT and ADOPT the accompanying ORDINANCE amending Subsection (f) of Section 21.33 of the LAMC (1) to lower the business tax rate on professions and occupations over time and (2) to amend Sections 21.41 and 21.43 while repealing Sections 21.42, 21.44, and 21.45 so as to consolidate several business classifications into two sections.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At its meeting of January 26, 2015, the Budget and Finance Committee considered a City Attorney report and Ordinance relative to amending the LAMC provisions relating to business taxes. The City Attorney reports that in Exhibit H of the Fiscal Year 2014-2015 Budget, adopted by Council on May 27, 2014, the City Attorney's Office was requested to amend several sections of the LAMC relating to business taxes specifically to: (1) amend subsection (f) of section 21.33 to gradually reduce the tax rate on those businesses classified under LAMC section 21.49 (the business and professions tax classification) over three years; and, (2) to combine various tax classifications into two Code sections. After consultation with the Office of Finance, the City Attorney has prepared the Ordinance, attached to the Council file. After consideration and having provided an opportunity for public comment, the Committee recommended that Council adopt the accompanying Ordinance. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	YES

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