

Frequently Asked Questions

USE TAX

What is a use tax?

A use tax is a sales tax on goods purchased out-of-state for delivery to and for use in Missouri. A use tax in Missouri can only be applied with local voter approval. The most common example of the use tax is its application to online purchases.

The City of Parkville currently levies a 2% local sales tax rate but does not have a local use tax. A use tax levels the playing field by applying the same 2% rate on purchases from out-of-state sellers. 227 Missouri municipalities, including Parkville's neighboring communities Kansas City, Riverside, Platte Woods, Platte City, Northmoor, Lake Waukomis, Gladstone, Pleasant Valley, Liberty, and Smithville have adopted a voter-approved use tax.

Why is a use tax proposed for Parkville?

Maintaining quality services, including Police protection and good streets, is important to the Parkville community. Traditional and dependable local revenue sources that support City services have changed. Much of Parkville's character, such as our unique downtown and other businesses, depend on local support. The City seeks to modernize its revenue resources to keep pace with increasing online purchases that do not support local businesses.

Out-of-state retailers profit from sales within the city, but they do not pay for:

- Street maintenance for the daily delivery trucks in the community
- Police protection associated with traffic and package thefts
- Other City services.

What are the benefits to Parkville?

A use tax supports our local businesses and the entire community by eliminating the advantage out-of-state retailers have over Parkville's brick and mortar local retailers. A use tax assures out-of-state businesses pay their fair share for street maintenance, police protection, and other City services.

Local retailers pay all other City fees and taxes, such as licenses, sales tax, utility taxes, and property taxes. Online and out-of-state retailers, such as Amazon, Walmart, and Target, do not pay these taxes that support our community.

How will the revenue be used?

The funds collected through the use tax will be used in part for Parkville services and public safety such as our local Parkville Police Department and to maintain and improve City streets.

How can I find more information about the proposed use tax?

More information can be found at: www.ParkvilleMo.gov/business/use-tax/. You may also contact Parkville City Hall, (816) 741-7676.



November 2, 2021 USE TAX VOTER INFORMATION GUIDE

Parkville residents will be asked to vote on the following question on the November 2 ballot:

Shall the City of Parkville, Missouri impose a local use tax at the same rate as the total local sales tax rate, provided that if the local sales tax rate is reduced or raised by voter approval, the local use tax rate shall also be reduced or raised by the same action?

YES NO

Approval of this question will eliminate the disparity in tax rates collected by local and out-of-state sellers by imposing the same rate on all sellers.

www.ParkvilleMo.gov/business/use-tax/

Paid for by the City of Parkville, MO.
Joe Parente, City Administrator, 8880 Clark Avenue, Parkville, MO. 64152



On November 2, 2021, Parkville residents will be asked to vote on Proposition A, a referendum to impose a local use tax to eliminate the disparity in tax rates collected by local and out-of-state sellers by imposing the same rate on all sellers.

In a changing marketplace, the City of Parkville is preparing to update revenue sources to keep pace with increasing online purchases that do not support local businesses or City services. Much of Parkville's character, including a unique downtown and other businesses, depends on local support.

The City of Parkville currently levies a 2% local sales tax. A voter-approved local use tax would apply the same 2% rate on purchases from out-of-state sellers. Sales tax is never combined with a use tax. It is one or the other.

MAINTAINING A QUALITY COMMUNITY

A local use tax would support Parkville businesses and the entire community by eliminating the advantage out-of-state retailers have over local brick and mortar retailers.

In addition to leveling the playing field, a local use tax assures out-of-state businesses pay their share for Parkville police protection, street maintenance, and other City services.

Out-of-state retailers profit from Parkville buyers, but without a use tax in place, out-of-state retailers do not pay for:

- Street maintenance. Parkville streets support daily delivery trucks in the community.
- Police protection that is associated with traffic and package thefts.
- Other City services.

Local use tax funds would be used to maintain Parkville's quality community. Revenue would be directed to the Parkville Police Department's public safety services, maintaining City streets, and other City services.

A YES

VOTE MEANS

The tax advantage out-of-state businesses have over the local businesses will be eliminated by leveling the playing field:

- Purchases from out-of-state business = 2% local use tax
- Purchases from a local brick and mortar business = 2% local sales tax

Out-of-state businesses pay their share to support local services.

Local use tax revenue would fund streets and police services.

A NO

VOTE MEANS

The tax advantage remains for out-of-state businesses over local businesses.

The City of Parkville and Parkville businesses will be negatively impacted by online sales and no use tax collected for City services.

Out-of-state businesses do not support Parkville's local services, such as streets and public safety.

The City of Parkville will experience continued revenue decreases for basic public services. Some City services may decline with decreased revenue.

