

COMPARED VERSION
NEW ORDINANCE TO CODE BOOKS

ORDINANCE NO. 200233

Amending Chapter 68, Code of Ordinances, entitled "Taxation" by repealing section 68-387 and enacting in lieu thereof a new section of like number and subject matter which authorizes the City Council to change the earnings and profits tax filing, payment, and request for extension deadline, changing the date of the filing, payment, and request for extension deadline for earnings and profits taxes for calendar year 2019 to July 15, 2020, and delaying the accrual of any penalty and interest accordingly.

WHEREAS, business, residents, and employees within Kansas City, Missouri have been significantly impacted due to the spread of the novel coronavirus COVID-19; and

WHEREAS, the City wishes to employ all means available to assist the businesses, citizens, and employees within Kansas City; and

WHEREAS, the City's Finance Department is charged with the collection of revenue and earnings taxes from individuals and businesses; and

WHEREAS, the deadline for filing and making payment for earnings and profits taxes typically falls on or around the federal tax deadline of April 15th; and

WHEREAS, the City's Finance Department already allows for an extension of time to file upon written request and payment of at least 90 percent of the estimated tax balance due; and

WHEREAS; the City Council desires to join the State of Missouri and the United States in extending the deadline for filing and payment of 2019 taxes until July 15, 2020; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 68, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Section 68-387 and enacting in lieu thereof a new section of like number and subject matter, to read as follows:

Sec. 68-387. Returns by taxpayers.

(a) Except as provided in this section, each individual or business whose earnings or profits are subject to the tax imposed by this article shall make and file a return with the director by the 15th day of the fourth month following the taxable year. The return shall be made in a form prescribed by the director and showing the amount of tax due and owing and such other pertinent information as the director may require.

(b) Any business or individual may request an extension of time to file by submitting a written request for an extension in a form prescribed by the director.

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(c) All requests for extensions of time to file must be submitted by the 15th day of the fourth month following the end of the taxable year and must be accompanied by a payment of at least 90 percent of the estimated tax balance due. The underpayment of tax liability with an extension request will subject the taxpayer to the interest and penalties set forth in this section.

(d) After delinquency, extensions of time to pay shall not be granted except for exceptional mitigating circumstances for the cause of the delinquency and demonstrated proof of financial ability to repay the delinquency. If the taxpayer meets such criteria, the commissioner, in his or her discretion, may permit the taxpayer to enter into a payment agreement, in a form prescribed by the commissioner, to pay the tax, along with interest and penalties, in installments for a period not to exceed six months. Failure to make any installment payment due under the agreement shall cause the entire balance due to become payable immediately, and subject to recovery and collection as provided in this article.

(e) Notwithstanding the foregoing, the city council may, by ordinance, change the dates for the filing and payment deadlines enumerated in subsections (a) and (c) of this section.

Section 2. That pursuant to Section 68-387(e) of the City's Code of Ordinances, the filing and payment deadline of earnings and profits taxes for calendar year beginning on January 1, 2019 and ending on December 31, 2019, is hereby changed to July 15, 2020.

Section 3. That requests for extension of filing and payment of earnings and profits taxes for calendar year beginning on January 1, 2019 and ending on December 31, 2019, beyond July 15, 2020 may be submitted to the City of Kansas City, Missouri Finance Department in conformance with Section 68-387(b)-(d) of the City's Code of Ordinances.

Section 4. That in accordance with Section 68-394 of the City's Code of Ordinances, all penalties and interest on unpaid earnings and profits taxes for the calendar year beginning on January 1, 2019 and ending on December 31, 2019 shall not begin to accrue until after July 15, 2020.

Approved as to form and legality:

Dustin E. Johnson
Assistant City Attorney