

Ordinance No. 230158

Earnings Tax Refunds

Finance Department

Finance, Governance and Public Safety Committee

March 1, 2023



Ordinance 230158

- Modifies the Code of Ordinances related to earnings tax refunds
 - Applies to 2022 and future tax years
- Adopts updated earnings tax regulations to reflect the Code changes

Code Revisions

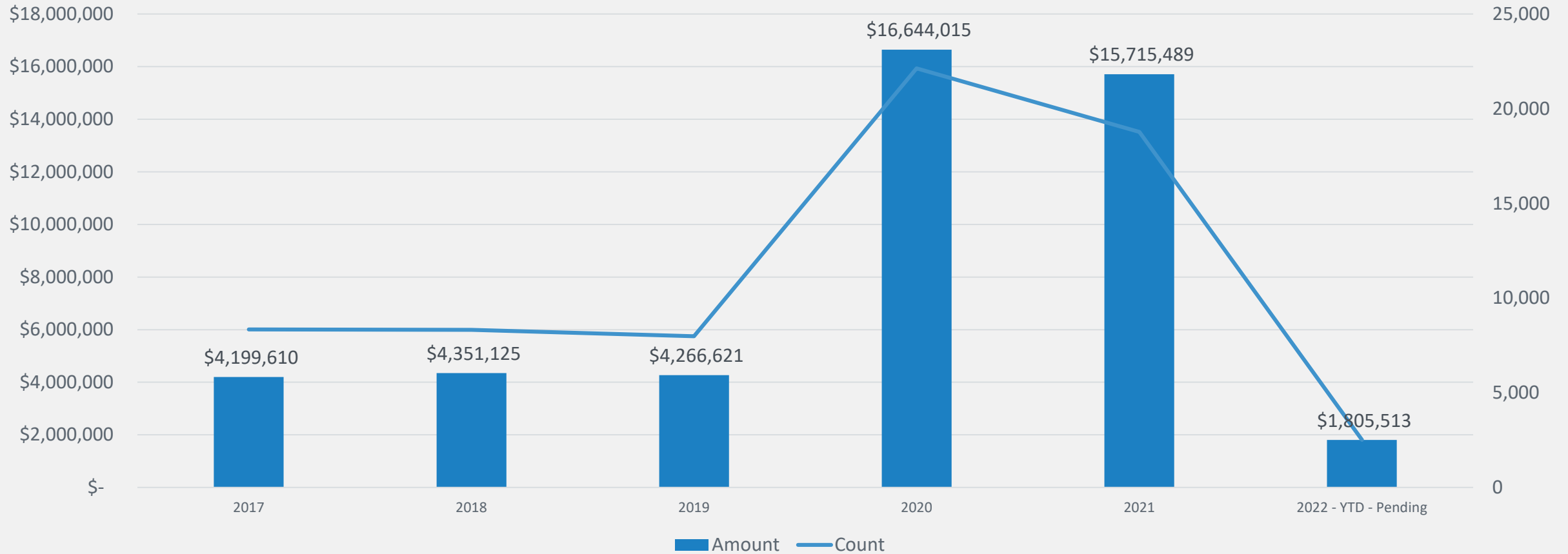
Current

- Taxpayer must file and pay under protest pursuant to RSMo. 139.031
- Administrative burden on Finance Department staff and on taxpayer

Proposed

- Taxpayer files Form 109 with Revenue Division on or prior to the tax filing deadline
 - Including proper documentation evidencing refund claim for tax year

Wage Earner Refunds



Fiscal Impact

- Refund Reserve Balance as of February 13, 2023 (Wage only)
 - \$8.5 million
- FY2023-24 Submitted Budget Refund Reserve (Wage only)
 - \$6.25 million
 - \$2 million additional needed to cover FY2023-24 (estimated)
 - Could handle as a budget amendment or address as needed with quarterly budget analysis

Next Steps

- If passed:
 - Finance Department will update all outward-facing messaging to reflect new process
 - 2022 tax year refund requests received on or before April 18, 2023, will be processed under new Code provisions

Questions?