

City of Kansas City, Missouri



Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: Mayor/Council's Office

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Amending Chapter 68 of the Code of Ordinances entitled "Taxation" by enacting a new Article XI, Sections 68-585 through 68-606 entitled "Transient Boarding and Accommodation Tax" to provide for uniform taxation of short-term rentals not otherwise subject to the requirements of Sec. 68-551 of the Code of Ordinances; and establishing an effective date.

Discussion

Codifies 7.5% tax on short term rental units approved by voters on April 4, 2023.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No

2. What is the funding source?

7.5% tax on short term rentals

3. How does the legislation affect the current fiscal year?

FY2022-23 prorated revenue will be approximately \$1.575 million for convention and tourism purposes.

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

Yes, this legislation will be a source of revenue for future fiscal years.
Additional Convention and Tourism revenue of \$2.1 million annually.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

Yes, this legislation will generate new revenue.

City of Kansas City, Missouri



Docket Memo

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. Yes No
2. This fund has a structural imbalance. Yes No

Additional Discussion (if needed)

This tax on short term rental units shall be used for convention and tourism purposes.

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Infrastructure and Accessibility (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Enhance the City's connectivity, resiliency, and equity through a safe, efficient, convenient, inclusive, accessible, sustainable and better connected multi-modal transportation system
- Develop environmentally sound and sustainable infrastructure strategies that improve quality of life and foster economic growth
- Increase and support local workforce development and minority, women, and locally-owned businesses
- Engage in efforts to strategically invest in the City's infrastructure and explore emerging technologies
-
-

Prior Legislation

Ordinance No. 230015 - Submission to Voters

Service Level Impacts

Click or tap here to provide a description of how this ordinance will impact service levels. List any related key performance indicators and impact.

City of Kansas City, Missouri

Docket Memo



Other Impacts

1. What will be the potential health impacts to any affected groups?

N/A

2. How have those groups been engaged and involved in the development of this ordinance?

N/A

3. How does this legislation contribute to a sustainable Kansas City?

N/A

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

N/A

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled "Contracts and Leases")?

N/A