



Legislation Text

File #: 230357, Version: 2

230357
SUBSTITUTE 2

ALD. PEREZ

A substitute ordinance relating to a city sales and use tax.

304-100 cr

This ordinance establishes a 2% sales and use tax applying to the sale of certain goods and services within the city of Milwaukee, and provides that tax revenues shall be used to fund public safety services and payments to the city retirement system.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 304-100 of the code is created to read:

304-100. Sales and Use Tax.

1. AUTHORITY AND PURPOSE. This section is enacted under the authority of s. 77.701, Wis. Stats. The revenue from the city sales and use tax imposed under this section shall be used for payments to the city retirement system and for public safety services.

2. IMPOSITION OF TAX. A city sales and use tax shall be imposed in the manner and to the extent permitted under subch. V of ch. 77, Wis. Stats.

3. SALES AND USE TAX RATE. The city sales and use tax imposed by this section shall be at the rate of 2.0%.

4. EFFECTIVE DATE. The sales and use tax imposed by this section shall take effect January 1, 2024.

5. APPLICATION OF SALES AND USE TAX REVENUE. Revenue from the city sales and use tax, less a percentage retained by the Wisconsin department of revenue for administrative purposes, shall be applied as follows:

a. Annually, no more than 90% of the amount of the revenue generated under this section in 2024 shall be used to offset the actual costs of the city's required payment under s. 62.625, Wis. Stats., toward the unfunded actuarial accrued liability of the city's retirement system, and to offset the increase in participating city agency employer contribution costs from 2022 to the current year, as set forth in s. 77.701(2)(a), Wis. Stats.

b. An amount equal to the revenue derived from 10% of the amount of revenue generated under this section in 2024 shall be used to maintain a level of law enforcement and fire protective and emergency medical service that is equivalent to that provided in the city on April 1, 2023, as set forth in s. 77.701(2)(b), Wis. Stats.

c. In any year in which the amount of city sales and use tax collected under this section exceeds the amount of the taxes collected in 2024 and the amounts necessary to make the payments under pars. (a) and (b), excess revenue shall be used to implement the requirements of s. 62.90(5)(b), Wis. Stats., and the ongoing costs of the increased number of law enforcement officers and the daily staffing levels of the members of the paid fire department, as set forth in s. 77.701(2)(c), Wis. Stats.

6. REPEAL OF SALES AND USE TAX. This section shall be repealed at a date to be determined

under s. 77.701(1), Wis. Stats.

Part 2.

The City of Milwaukee elects to join the Wisconsin Retirement System for all new employees in accordance with the provisions of 2023 Act 12, and the appropriate city officials are directed to complete the Resolution of Inclusion Under the Wisconsin Retirement System attached to this file pursuant to 2023 Act 12.

APPROVED AS TO FORM

K. Broadnax

Legislative Reference Bureau
Date: 07.11.2023

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney
Date: _____

LRB178172-2
Tea Norfolk
7/10/2023