

**FINANCIAL IMPACT STATEMENT
For Council Action Items**

184597

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Terri Williams		2. Telephone No. 503-865-2469	3. Bureau/Office/Dept. Revenue Bureau
4a. To be filed (date) 5-5-11	4b. Calendar (Check One) Regular Consent 4/5ths X <input type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst:

1) Legislation Title:

Amend the Business License Law to make housekeeping changes to certain definitions and the presumption of doing business. (Ordinance; amend Code Chapter 7.02)

2) Purpose of the Proposed Legislation:

This ordinance amends 4 different subsections of the Business License Law to:

- A. Expands the definition of an individual;
- B. Adds individual to the definition of a person;
- C. Eliminates an unnecessary and confusing qualifier to owning property within the City as it applies to the presumption of doing business in Portland; and
- D. Adds a definition of "jurisdiction to tax" and specific reference to Public Law 86-272 to clarify apportionment requirements and to align with Oregon Revised Statutes.

3) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

There is no change to the General Fund revenue from business license taxes as a result of these housekeeping changes.

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

There should be no costs to the City as a result of these changes.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No change in positions.


6) Will positions be created or eliminated in future years as a result of this legislation?

Not expected at this time.

Complete the following section only if an amendment to the budget is proposed.

7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate center codes and accounts that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

N/A

Thomas Lannom, Director, Revenue Bureau 

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
Sam Adams, Mayor
Kenneth L Rust, Chief Administrative Officer

184597
Revenue Bureau
Thomas W. Lannom, Director
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Portland, OR 97201
(503) 823-6881

FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison

DATE: January 27, 2011
TO: Mayor Sam Adams
FROM: *Thomas Lannom* Thomas Lannom, Revenue Bureau Director

RE: ORDINANCE TITLE Amend the Business License Law to make housekeeping changes to certain definitions and the presumption of doing business. (Ordinance; amend Code Chapter 7.02)

1. **INTENDED THURSDAY FILING DATE:** 5-5-11
2. **REQUESTED COUNCIL AGENDA DATE** 5-11-11
3. **CONTACT NAME & NUMBER:** Terri Williams x52469
4. **PLACE ON:** ___ CONSENT X REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** X Y ___ N ___ N/A
6. **(3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ___ Yes ___ No X N/A

7. BACKGROUND/ANALYSIS

The Revenue Bureau has discovered code sections that need to be updated to either simplify or clarify confusing provisions or to align more closely with Oregon Revised Statutes. Those areas include:

1. Expand the definition of an individual (PCC 7.02.100 L) and add an individual to the definition of "person" (PCC 7.02.100 R);
2. Remove confusing language regarding owning property in Portland as it applies to our ability to presume that a taxpayer is doing business here; and
3. Include the definition of "jurisdiction to tax" and reference to Public Law 86-272 and how these concepts impact apportionment of income.

8. FINANCIAL IMPACT

There is no financial impact to the General Fund.

9. RECOMMENDATION/ACTION REQUESTED

The Bureau respectfully requests that the ordinance be passed to allow code clarification.