

RESOLUTION NUMBER R- 287475

ADOPTED ON JUN 04 1996

WHEREAS, The City of San Diego is currently losing sales and use tax revenue of an estimated 14 to 20 million dollars annually, due to misallocation of use taxes; and

WHEREAS, the City Manager has initiated a pilot Business Cooperation Program ("BCP") designed to encourage businesses and nonprofit firms to properly allocate sales and use taxes within the City of San Diego; and

WHEREAS, the pilot BCP could be expanded into a full-fledged economic development program resulting in enhanced revenues for the City; and

WHEREAS, the increased revenues generated from the BCP will reduce the need for future tax or fee increases, thereby improving the City's business climate; and

WHEREAS, sales and use tax allocation may not be a high priority for the private sector, and will require additional work and the implementation of procedural changes within a firm's accounting and/or purchasing departments; and

WHEREAS, incentives for participation in an expanded BCP, along with high-level recognition of participants will greatly enhance the program's success, at little or no cost to the City;
NOW, THEREFORE,

BE IT RESOLVED, the Council of The City of San Diego, as follows:

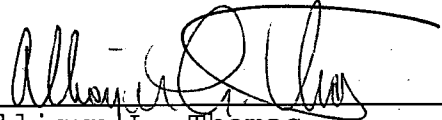
1. That it hereby officially requests the participation of the private sector businesses and nonprofit organizations in the Business Cooperation Program.

2. That the City Manager is hereby directed to formally recognize companies that participate in the BCP.

3. That the City Manager is hereby directed to appoint a committee of business leaders to study possible incentives which may be adopted for participation in the BCP.

APPROVED: JOHN W. WITT, City Attorney

By



Allisyn L. Thomas
Deputy City Attorney

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