



Ballwin Voters to Consider Continuing the Local Sales Tax on Out-of-State Vehicle Purchases

The City of Ballwin announced today that a measure to continue the Local Sales Tax on Out-Of-State Vehicles (**PROPOSTION B**) will be on the ballot for April 5, 2016. If passed by local voters, the measure will allow an important funding source to the city to continue.

Prior to 2012, a citizen paid city sales tax on vehicles bought in another state when they licensed the vehicle. Those tax revenues went to the city, which used them to help pay for services such as police and trash, street repairs, and park improvements. Under a 2012 court ruling, a citizen no longer pays city sales tax on vehicles purchased out of state or from an individual. The projected loss of annual revenues to the City of Ballwin is \$170,000 according to the Missouri Department of Revenue. In 2013, the Missouri Legislature approved legislation allowing cities to continue collecting the local sales tax on these vehicles purchases, but would need voter approval to continue the tax by November of 2016. The city hopes voters will decide to retain the local sales tax on these purchases so that the present level of services may be maintained.

In addition to the lost revenues, Missouri auto dealers are at a competitive disadvantage to out-of-state businesses should the tax be discontinued. This is because the out-of-state auto dealers do not have to charge a city sales tax on vehicle purchases when a local business does, so the total out of pocket costs for a new vehicle could be less. Keeping those sales local would not only generate tax dollars for the city, it would help local businesses who create local jobs and reinvest in the community.

This is not a double tax as some have thought. The Local Motor Vehicle Sales Tax applies only on transactions where no sales tax was applied.

For more information about the issue, visit www.ballwin.mo.us.

About Ballwin: Named "One of America's Best Places to Live" by Money Magazine in 2005, 2011, and 2013, Ballwin continues to pride itself on offering a wide range of programs and services to its 30,404 residents. Located in the heart of prestigious West St. Louis County, Ballwin is within 30 minutes of five major universities and colleges, served by AAA-rated Rockwood and Parkway School districts and continually works to promote and facilitate commercial development while strengthening the relationship between business and community.

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