



LAWRENCEVILLE

GEORGIA

AGENDA REPORT
MEETING: CITY COUNCIL REGULAR MEETING
AGENDA CATEGORY: PUBLIC HEARING

Item: Amend Chapter 34 to assess Occupation Tax by Gross Receipts and Profitability

Department: Finance

Date of Meeting: Monday, September 16, 2024

Fiscal Impact: Increase revenues for Occupation Tax by \$400,000 for Fiscal Year 2025

Presented By: Keith Lee, Chief Financial Officer

Action Requested: Approval to amend the Chapter 34 to change the occupation tax assessment from per employee to gross receipts and profitability.

Summary: As part of the Fiscal Year 2025 Budget the City considered amending the method of taxation for Occupation Tax. Currently the City uses a per employee tax structured. The proposed change would be to use Gross Receipts to determine the tax liability of a business.

The change will be implemented with the 2025 Occupation Tax Certificate Renewal process. This year will be the first of a three-year implementation process. The process will escalate the annual tax amount due over the course of the three-year period, until fully implemented.

Fiscal Impact: Estimated Revenue for Fiscal Year 2025 is \$700,000/

Attachments/Exhibits: Ordinance, PowerPoint