

**AN ORDINANCE REAFFIRMING THE GROSS RECEIPTS TAX TO BE IMPOSED UPON UTILITY CORPORATIONS PROVIDING SERVICES TO NON-DOMESTIC CONSUMERS WITHIN THE CITY OF FRONTENAC, MISSOURI, AND AMENDING SECTION 610.045 OF THE FRONTENAC CITY CODE RELATING TO SAME.**

**WHEREAS**, the Missouri Public Service Commission (PSC) has granted a tariff increase of 10.05 percent to Spire Missouri, Inc. d/b/a Spire; and

**WHEREAS**, tariff increases in excess of 7 percent trigger certain requirements under Mo.Rev.Stat. Section 393.275 to either roll back the rate of gross receipts taxes imposed by cities on utilities or to pass an ordinance maintaining the existing rates; and

**WHEREAS**, Section 393.275.2 requires cities to roll back the rate of the gross receipts tax within 60 days of the effective date of the tariff increase unless such cities pass an ordinance to maintain the existing rate; and

**WHEREAS**, the PSC has established the effective date of the tariff increase granted to Spire as January 17, 2023, and 60 days from that date is March 18, 2023; and

**WHEREAS**, the City of Frontenac imposes a gross receipts tax on utilities providing service to non-domestic consumers in the City and previously adopted a public policy of maintaining its tax rates with regard to electric utilities and codified that policy as Section 610.045 of the City Code; and

**WHEREAS**, the Board of Aldermen hereby finds and determines that in consideration of efforts in the state legislature to reduce or totally eliminate revenue streams upon which cities like Frontenac rely in order to sustain critical public services, and in light of the increasing cost of assuring the citizens of Frontenac that they have, and will continue to have, access to the quality public services upon which they depend for their safety, health and well-being, it is important to maintain its rate of gross receipts tax on non-domestic sales of all utilities doing business in the City;

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FRONTENAC, MISSOURI, AS FOLLOWS:**

**SECTION ONE.**

The gross receipts tax imposed upon utility corporations, including but not limited to Spire Missouri, Inc., pursuant to Section 610.070 of the Code of Ordinances of the City of Frontenac, Missouri, shall be maintained at its existing rate despite the tariff increase awarded by the PSC to Spire Missouri effective on January 17, 2023.

## **SECTION TWO.**

Section 610.045 of Article I of Chapter 610 of the Code of Ordinances of the City of Frontenac, Missouri, is hereby repealed and a new Section 610.045 is hereby enacted in lieu thereof to read as follows:

### **Chapter 610. Utility Companies — Gross Receipts**

#### **Article I. General Utility Service Provisions**

##### **Section 610.045. Reaffirmation of Gross Receipts Tax On Utilities.**

Pursuant to the provisions of Section 393.275.2, RSMo., 2000, the Board of Aldermen hereby determines that it is in the best interests of the people of the City of Frontenac that the City maintain the tax rate of its business license tax on the gross receipts of utility corporations as provided by law regardless of tariff actions of the Missouri Public Service Commission with respect to rates for service.

## **SECTION THREE.**

All ordinances or parts of ordinances in conflict herewith are hereby repealed, but shall otherwise remain in full force and effect.

## **SECTION FOUR.**

It is hereby declared to be the intention of the Board of Aldermen that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Aldermen intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect.

## **SECTION FIVE.**

The Chapter, Article, Division and/or Section assignments designated in this Ordinance may be revised and altered in the process of recodifying or servicing the City's Code of Ordinances upon supplementation of such code if, in the discretion of the editor, an alternative designation would be more reasonable. In adjusting such designations, the editor may also change other designations and numerical assignment of code sections to accommodate such changes.

## **SECTION SIX.**

This Ordinance shall be in full force and effect from and after its passage by the Board of Aldermen and approval by the Mayor.

**PASSED BY THE BOARD OF ALDERMEN FOR THE CITY OF FRONTENAC,  
MISSOURI, THIS 14<sup>TH</sup> DAY OF MARCH 2023.**

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Presiding Officer

Attest:

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Jaysen Christensen, City Administrator

**APPROVED THIS 14<sup>TH</sup> DAY OF MARCH 2023.**

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Kate Hatfield, Mayor

Attest:

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Jaysen Christensen, City Administrator