

PROPOSITION U

OSAGE BEACH LOCAL USE TAX



**FUNDS COMMUNITY SERVICES
GENERATES LOCAL REVENUE
NOT A DOUBLE TAX**

FREQUENTLY ASKED QUESTIONS:

What is a local Use Tax? A Use Tax is a tax on purchases of goods by Missouri residents from out-of-state vendors. Products exempt from the Sales Tax would be exempt from the Use Tax. The Use Tax rate is the same rate as the local Sales Tax rate. While the Sales Tax rate is based on the point of sale, the Use Tax is determined based on the point of delivery.

I already pay a sales tax, is this the same thing? NO. The sales tax applies to purchases made at local retailers within Missouri, while the Use Tax applies to purchases made from out-of-state vendors. Purchases do not fall into both groups.

What's on the ballot? On April 2, 2024, Osage Beach voters will decide if a local Use Tax should be imposed on out-of-state purchases at the same rate as the local Sales Tax.

Osage Beach Ballot question: *"For the purposes of funding the construction, maintenance, repair of, and improvements to the City's Parks and Recreation System, and with any additional funds being applied to other General Fund needs of the City, shall the City of Osage Beach impose a local Use Tax at the same rate as the total local Sales Tax rate, currently Two-percent (2.0%), provided that if the local Sales Tax rate is reduced or raised by voter approval, the local Use Tax rate shall also be reduced or raised by the same action?."*

How can a Use Tax benefit my community? As internet purchases increase, local revenues decrease. Funds generated from the Use Tax can be used to pay for Parks & Recreation to enhance our quality of life.

The purpose of the proposal is to assess the same tax rate on out-of-state purchases as local purchases.

- If you already pay Sales Tax on a purchase, you will **NOT** pay a Use Tax on the same purchase.
- The local Use Tax rate is the same as the Sales Tax rate.
- A local Use Tax ensures out-of-state purchases are taxed at the same rate as purchases from your local business.
- Funds generated will help pay for our Parks & Recreation programs and the expansion of our City parks.

ELECTION DAY - APRIL 2, 2024

