



KENT CHAMBER
OF ♦ COMMERCE

December 19, 2014

On December 16th the Kent City Council voted 7-0 to adopt an \$81 million general fund budget for 2015 that includes a property tax increase but no business and occupation tax ("B&O Tax") increase. For the last two years the Kent Chamber of Commerce has worked closely with City of Kent officials to minimize the B&O Tax assessment against Kent businesses and to make sure those funds are used for street maintenance. We are adamantly opposed to a B&O Tax because it is a fundamentally flawed way to fund city operations, targeting a business's gross revenue without regard for costs of doing business. Unfortunately, Washington State leaves city governments with few alternatives to fund operations besides this flawed taxation mechanism. The Kent Chamber of Commerce will continue to try to be part of the solution and work with the City to help it find appropriate resources to fund crucial infrastructure repairs while continuing to protect our business community.

We commend and thank the Kent City Councilmembers, as they revised much of the original budget that Mayor Cooke proposed in September. Councilmembers honored the original intent of the B&O Tax to fund street maintenance rejecting the Mayor's proposal to increase the B&O Tax to increase general fund revenue. We appreciate the City Council's willingness to continue to work with the business community and the Kent Chamber of Commerce to tackle tough issues and make Kent a wonderful place to live and work.

Best Regards,

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