Minute No. 73
Report - Standing Committee on Fiscal Issues - November 26, 2002

Item No. 1 Recommendations for Entertainment Funding By-law Exemptions - November 2002 - File FL-6 (Vol. 25)

COUNCIL DECISION:

Council concurred in and adopted the recommendation of the Standing Committee on Fiscal Issues that the following amusements and/or places of amusement, which meet the criteria set forth in Schedule "B" of the Entertainment Funding By-law No. 7710/2000, be listed in Schedule "A":

Circle of Life Thunderbird House
Le Theatre de la Prairie
Winnipeg International Airshow Inc.

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DECISION MAKING HISTORY:

Moved by Councillor Clement,
That the Standing Committee on Fiscal Issues recommendation be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 4, 2002, the Executive Policy Committee concurred in the recommendation of the Standing Committee on Fiscal Issues.

STANDING COMMITTEE RECOMMENDATION:

On November 26, 2002, the Standing Committee on Fiscal Issues concurred in the administrative recommendation.

Re: Recommendations For Entertainment Funding By-Law Exemptions - November, 2002

For submission to: Standing Committee on Fiscal Issues

Submitted by: CHIEF FINANCIAL OFFICER

Report date: November 14, 2002

In camera item: [ ] Yes [X] NO

Recommendation: In response to the applications received for exemption from the Entertainment Funding tax, the following amusements and/or places of amusement which meet the criteria set forth in Schedule "B" of the Entertainment Funding By-law 7710/2000, be recommended to Council for listing in Schedule "A":

1. Circle of Life Thunderbird House
2. Le Theatre de la Prairie
3. Winnipeg International Airshow Inc.

And that the following amusements and/or places of amusement, which do not meet the criteria set forth in Schedule "B" of the Entertainment Funding By-law 7710/2000, be denied listing in Schedule "A".

1. None to report.

Report Summary

The Administration has conducted a consistent and thorough review of all applications received for exemption from the Entertainment Funding By-law in accordance with the criteria set forth in By-law 7710/2000.

Key Issues:

All applications received for exemption from the entertainment funding tax have met the criteria set forth in Schedule "B" of the Entertainment Funding By-law 7710/2000.

Implications of the Recommendation(s):

General Implications

- [ ] None
- [ ] For the organization overall and/or for other departments
- [X] For the community and/or organizations external to the City of Winnipeg
- [ ] Involves a multi-year contract

Policy implications

[X] No
[ ] Yes

Financial implications

[ ] Within approved current and/or capital budget
[ ] Current and/or capital budget adjustment required

Comments: The financial impact of approving (and denying) these applications for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from events hosted by these organizations cannot be quantified because the events have not yet occurred.

Report

Recommendations:
In response to the applications received for exemption from the entertainment funding tax, the following amusements and/or places of amusement, which meet the criteria set forth in Schedule “B” of the Entertainment Funding By-law 7710/2000, be recommended to Council for listing in Schedule “A”:

1. Circle of Life Thunderbird House
2. Le Theatre de la Prairie
3. Winnipeg International Airshow Inc.

And that the following amusements and/or places of amusement, which do not meet the criteria set forth in Schedule “B” of the Entertainment Funding By-law 7710/2000, be denied listing in Schedule “A”.

1. None to report.

Reason for the report:

Council must approve all Entertainment Funding By-law exemptions.

History:
The Entertainment Funding By-law 7710/2000 was adopted in September 2000, wherein the former Amusement Tax By-law was replaced. A report to the Standing Committee on Fiscal Issues is prepared for each scheduled meeting if an application for exemption is received. The required report was first submitted for the meeting of January 16, 2001 and for each meeting thereafter as required.

Discussion:
An amusement or place of amusement may be listed in Schedule “A” where an organization has submitted an application for exemption. Listings are intended to assist locally based charitable and not-for-profit cultural or athletic organizations in producing entertainment and sporting events with admission prices at a level which will encourage a broad audience. Listings are not intended to apply where an amusement is held for fund raising events in which the performers or promoters profit or where the exemption would result in for-profit gain. We are recommending to Council that the organizations in this report be listed in Schedule “A” for a general exemption from the Entertainment Funding Tax.

The Administration has conducted a consistent and thorough review of all applications received for exemption from the Entertainment Funding By-law in accordance with the criteria set forth in both Schedule “B” and By-law 7710/2000. There are no amusements that are being recommended for denial.

Financial Impact Statement **Date:** November 14, 2002

COMMENTS: The financial impact of approving (and denying) these applications for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from events hosted by these organizations cannot be quantified because the events have not yet occurred.

Carrie Erickson
Manager of Finance & Administration

This Report Submitted By:

Department: Corporate Finance
Division: Taxation & Revenue
Prepared by: Bob Weselowski

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