**Agenda - Council - February 26, 2003**

**Report - Standing Committee on Fiscal Issues - February 11, 2003**

**Item No. 1 Recommendations for Entertainment Funding By-Law Exemption - February 2003**
**File FL-6 (Vol. 25)**

STANDING COMMITTEE RECOMMENDATION:

On February 19, 2003, the Executive Policy Committee concurred in the recommendation of the Standing Committee on Fiscal Issues and submits the following to Council:

1. That the following amusement and/or place of amusement, which meets the criteria set forth in Schedule "B" of the Entertainment Funding By-law No. 7710/2000, be listed in Schedule "A":

   Punjab Foundation of Manitoba Inc.

2. That the City Solicitor/Manager of Legal Services be directed to prepare the necessary amending by-law in accordance with the foregoing for submission directly to Council for approval.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

**Agenda - Council - February 26, 2003**

**Report - Standing Committee on Fiscal Issues - February 11, 2003**

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 19, 2003, the Executive Policy Committee concurred in the recommendation of the Standing Committee on Fiscal Issues and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On February 11, 2003, the Standing Committee on Fiscal Issues concurred in the administrative recommendation, and submitted its recommendation to Executive Policy Committee and Council.

**Re:** **RECOMMENDATIONS FOR ENTERTAINMENT FUNDING BY-LAW EXEMPTION – FEBRUARY 2003**

**For submission to:** **Standing Committee on Fiscal Issues**

**Submitted by:** **Chief Financial Officer**

**Report date:** **February 4, 2003**

**In camera item:** ☐ Yes ☒ NO

**Recommendations:**

That the following amusement and/or place of amusement, which meets 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. Punjab Foundation of Manitoba Inc.

## Report Summary

Key Issue(s):

The application received from Punjab Foundation of Manitoba Inc. for exemption from the entertainment funding tax has 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 |
| ☒ | For the community and/or organizations external to the City of Winnipeg |
| ☐ | Involves a multi-year contract |

Comment: The organization intends to establish a community center for the benefit of the members and the community at large.

Policy implications

[X] No
[ ] Yes

Comment:

**Financial implications**

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

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

## Report

**Recommendations:**

That the following amusement and/or place of amusement, which meets 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. Punjab Foundation of Manitoba Inc.

**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.

The Administration has conducted a consistent and thorough review of the application 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. It is recommended that Council approve listing in Schedule “A” for the Entertainment Funding Tax exemption, as the organization has satisfied the criteria set forth in Schedule “B “.

**Financial Impact Statement:**

Project Name: EXEMPTION FOR ENTERTAINMENT FUNDING TAX

Date: FEBRUARY 4, 2003 First Year of Program **2003**

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | | | | | |
| Less: Existing Budgeted Costs | | | | | |
| Additional Capital Budget Required | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | | | | | |
| Debt - External | | | | | |
| Grants (Enter Description Here) | | | | | |
| Reserves, Equity, Surplus | | | | | |
| Other - Enter Description Here | | | | | |
| Total Funding | $ - | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ - | | | | |
| Total Additional Debt Required | $ - | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | | | | | |
| Less: Incremental Revenue/Recovery | | | | | |
| Net Cost/(Benefit) | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budget Amounts | | | | | |
| Net Budget Adjustment Required | $ - | $ - | $ - | $ - | $ - |

**Additional 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.**

"original signed by Carrie Erickson"
Manager of Finance and Administration

**In preparing this report, there was consultation with and concurrence by:**

Entertainment Funding Tax Senior Clerk – Cathy Ireton
Coordinator of Tax Accounting & Administration – Norm Dobson

**This Report Submitted By:**

| | |
|---|---|
| Department: | Corporate Finance Department |
| Division: | Taxation & Revenue |
| Prepared by: | Robert Weselowski |
| | |
| File No. | Fiscal Issues Feb 2003.doc |