**Agenda - Executive Policy Committee - September 17, 2003**

**Report - Standing Committee on Fiscal Issues - September 9, 2003**

**Item No. 2 Entertainment Funding By-law Exemptions – September 2003**
**File FL-6**

STANDING COMMITTEE RECOMMENDATION:

On September 9, 2003, the Standing Committee on Fiscal Issues concurred in the administrative recommendation and submits the following to Council:

1. That the following amusement 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":

   The Malayali Association of Manitoba Inc.
   Rusalka Ukrainian Dance Ensemble 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.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

**Agenda - Executive Policy Committee - September 17, 2003**

**Report - Standing Committee on Fiscal Issues - September 9, 2003**

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 9, 2003, the Standing Committee on Fiscal Issues concurred in the administrative recommendation and submitted the matter to Executive Policy Committee and Council.

REPORT

RE: RECOMMENDATIONS FOR ENTERTAINMENT FUNDING BY-LAW EXEMPTION – SEPTEMBER 2003

FOR SUBMISSION TO: STANDING COMMITTEE ON FISCAL ISSUES

ORIGINAL REPORT SIGNED BY: CHIEF FINANCIAL OFFICER

REPORT DATE: September 2, 2003

RECOMMENDATION(S):

That the following amusement and/or places of amusement, which meet the criteria set forth in Schedule "B" of The Entertainment Funding By-Law No. 7710/2000, be recommended to Council for listing in Schedule "A".

The Malayali Association of Manitoba Inc.
Rusalka Ukrainian Dance Ensemble Inc.

REPORT SUMMARY

Key Issue(s):

The applications received for exemption from the Entertainment Funding Tax have met the criteria set forth in Schedule "B" of The Entertainment Funding By-Law No. 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
- [ ] Involves a multi-year contract

Comment(s): The organizations provide services to benefit specific ethnic groups and to the community as a whole.

Policy Implications

- [X] No

[ ] Yes
Comment(s):

Environmental Implications:

[X] No
[ ] Yes
Comment(s):

Human Resources Implications:

[X] No
[ ] Yes
Comment(s):

Financial implications

[X] Within approved current and/or capital budget
[ ] Current and/or capital budget adjustment required
Comment(s): The financial impact of approving 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

REASON FOR THE REPORT:

Council must approve all Entertainment Funding By-law exemptions.

HISTORY:

The Entertainment Funding By-Law No. 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 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 gains.

The Administration has conducted a thorough review of the applications received for exemption from The Entertainment Funding By-Law in accordance with the criteria set in Schedule “B” of By-Law No. 7710/2000. It is recommended that Council approve listing in Schedule “A” for these Entertainment Funding Tax exemption applications as the organizations have satisfied the criteria set forth in Schedule “B “.

**Financial Impact Statement:**

Project Name: EXEMPTION FOR ENTERTAINMENT FUNDING TAX

Date: September 2, 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 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 AND CONCURRENCE BY:

THIS REPORT SUBMITTED BY:

| | |
|---|---|
| Department: | Corporate Finance Department |
| Division: | Taxation & Revenue |
| Prepared by: | Mel Chambers |
| | |
| File No. | Exemption- Sept 2003.doc |