Agenda - Executive Policy Committee - December 10, 2003

Report - Standing Committee on Fiscal Issues - December 4, 2003

Item No. 1 Entertainment Funding By-law Exemption
File FL-6

STANDING COMMITTEE RECOMMENDATION:

On December 4, 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 place of amusement, which does not meet the criteria set forth in Schedule "B" of The Entertainment Funding By-law No. 7710/2000, be denied listing in Schedule "A":

   A. The event, American Dream for Albee Fest, to be held by The Hen Coop at the Winnipeg Contemporary Dance Studio from January 22 to February 8, 2004.

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

Agenda - Executive Policy Committee - December 10, 2003

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DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On December 4, 2003, the Standing Committee on Fiscal Issues concurred in the administrative recommendation and submitted the matter to Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

RE: RECOMMENDATIONS FOR ENTERTAINMENT FUNDING BY-LAW EXEMPTION - DECEMBER 2003

FOR SUBMISSION TO: STANDING COMMITTEE ON FISCAL ISSUES

ORIGINAL REPORT SIGNED BY: CHIEF FINANCIAL OFFICER

REPORT DATE: November 20, 2003

RECOMMENDATION(S):

That the following amusement and/or place of amusement, which **does not meet** the criteria set forth in Schedule "B" of The Entertainment Funding By-Law No. 7710/2000, be denied listing in Schedule "A":

1. The event, American Dream for Albee Fest, to be held by The Hen Coop at the Winnipeg Contemporary Dance Studio from January 22 to February 8, 2004.

REPORT SUMMARY:

Key Issue(s):

- The application received from The Hen Coop for exemption from the Entertainment Funding Tax does not meet 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): As a result of being denied the Entertainment Funding Tax exemption, the organization will have to remit the applicable taxes.

Policy Implications

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

Environmental Implications:

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

Human Resources Implications:

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

Financial implications

[ ] **Within approved current and/or capital budget**
[ ] **Current and/or capital budget adjustment required**
Comment(s): The financial impact of denying the application for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from the event hosted by the organization cannot be quantified because the event has not yet occurred.

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 gain.

The Administration has conducted a thorough review of the application 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 deny listing in Schedule "A" for the following organization since it does not satisfy the criteria set forth in Schedule "B":

Name of Organization	Name of Event	Criteria Not Satisfied
The Hen Coop	Play -The American Dream for Albee Fest from January 22 to February 8, 2004	• The organization is not a charitable or not-for-profit cultural or athletic organization.

FINANCIAL IMPACT STATEMENT - Date: December 2003

The financial impact of denying the application for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from the event hosted by this organization cannot be quantified because the event has not yet occurred.

"Original signed by Carrie Erickson"
Carrie Erickson
Manager of Finance & Administration

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

THIS REPORT SUBMITTED BY:

Corporate Finance Department
Taxation & Revenue
Prepared by: Mel Chambers, A/Manager of Taxation and Revenue
File No. Fiscal Issues December 2003.doc