

**Business License Tax – Argument in Favor**

VOTE YES ON MEASURE \_\_\_

The City’s existing business license tax dates back to 1989 and generates revenue to support essential city services, including fire response, police patrols, parks, library, and senior services. However, our business license tax is severely outdated.

Industries have evolved and our local economy has changed over the past 35 years. The current business license tax charges the City’s nearly 5,000 businesses based on the number of employees they have—the more employees, the more a business pays in tax. This results in a regressive tax, where small businesses (doing less than \$500,000 a year in revenue) are paying more of the business license tax revenue than big businesses (making tens of millions of dollars a year) in the City.

Many cities are shifting to a gross receipts tax, basing what a business pays in business license tax on their annual revenue generated in the city, as opposed to the number of employees. Cities including Los Angeles and Alhambra already have a gross receipts tax in place as proposed by this measure.

This measure would modernize our City’s business license tax to match the current and emerging economy. It would also provide small businesses in the city with much needed relief by capping the tax at \$75 a year for businesses doing \$500,000 or less in revenue, reducing the tax burden on many small businesses in the City.

Join us in modernizing our business license tax, supporting essential city services, and improving the business environment in Monterey Park.

VOTE YES ON MEASURE \_\_\_.

- Thomas Wong, Monterey Park Mayor
- Bob Gin, Monterey Park Library Foundation President ~~OR Alhambra Unified School Boardmember~~
- Jose Sanchez, Monterey Park Councilmember
- Amy Lee, Small Business Owner and City Treasurer
- Andy Yam, Garvey School District Boardmember

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2024 AUG - 1 P 12: 48  
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