

Opinion: Measure B is bad for business

To the community,

The South Tahoe Chamber of Commerce opposes Measure B and the increase in taxes for any business at this time.

Measure B comes from the perspective of assessing a business greater taxes and fees based solely on the number of employees that business has. Gross receipts and number of employees are the indicators, without perspective of costs or true profit margins.

It removes the cap on business license fees, which means the more a business earns, the more it pays. While in theory that may sound attractive, there is no consideration for the expenses of paying employees a decent wage, nor does this consider the wide gap in profit margins. One large business may be paying to conform with new federal and state mandates, new local mandates, and have additional fees for upgrades to licenses, etc. A different kind of business may have a large number of employees, but none of these mandates, especially if they use contract employees.

A business in the city of South Lake Tahoe pays a business license fee, a county DBA fee, and must advertise at their expense to announce this DBA. They may have to pay an additional home occupation fee. If they also work in the county, there is a business license fee. If they sell or work with anyone who sells or gives away even ice, there are environmental reports to be filed. If they buy and resell items, there is a resell license fee. They pay liability and D O insurance. If they plan an event to promote their business, they pay the city for a permit. If they are a store front business, they have all the above expenses in addition to rent

or property taxes if they own the building in which their business operates.

Some business owners pay original and renewable licensing or credential fees, as in Realtors, contractors, food handlers, health clearances, and often have to pay to take classes to stay current. Larger businesses pay benefit costs for their employees and state and federal taxes, including disability and social security. Many are also facing increased mandates by the state and federal governments.

All businesses in the city of South Lake Tahoe were hit this past year by the stated intent to enforce the sign ordinance. The council also enacted a new ordinance, the snow removal ordinance, which also adds to the cost of doing business in the city of South Lake Tahoe. It is also our concern that this does not create an attractive environment for large business to come to, or stay in, South Lake Tahoe.

It stands to reason that an increase in taxes and fees will either cause the business to close it's doors, pull out of Tahoe, lay off or cut hours for more employees, or raise the rates to the consumers in South Lake Tahoe. More unemployed people or people with hours that have been cut mean less money to be spent in the smaller businesses in South Lake Tahoe. Locals keep some of these businesses alive in the shoulder seasons; where will that disposable income be if their hours are cut?

It is our belief that if the taxes and license fees are raised on these large businesses, more employees will lose their jobs. It also removes the cap on the fees, which in our estimation would result in higher fees for many businesses. Rate increases for consumers may also be a result.

Government must stop going to business to fund excessive expenditures. Please join the South Tahoe Chamber of Commerce and vote no on Measure B.

JoAnn Conner
Danny Freeman

David Kelly
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President
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