

CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: May 22, 2018

TO: Eric R. DeLong, Interim City Manager

COMMITTEE: Fiscal Committee

LIAISON: Jeff Dood, Chief Financial Officer

FROM: Jennifer Woodard, Income Tax Operations Supervisor

Income Tax Department

SUBJECT: Resolution approving an agreement with The State of Michigan

for 2013, 2014, 2015, and 2016 State Tape Extract.

The City of Grand Rapids has an exchange agreement with the Bureau of Revenue at the Michigan Department of Treasury, whereby the Income Tax Department may purchase data for taxpayers filing Michigan income tax returns from Grand Rapids postal Zip Codes. This data is used for income tax compliance purposes and brings in approximately \$1.3 million dollars of revenue each year.

The estimated cost for the data extract from 2013, 2014, 2015, and 2016 Michigan income tax returns is \$72,000. This purchase is included in the Income Tax Department FY 2018 Budget.

I recommend that the City acquire the data extract from 2013, 2014, 2015, and 2016 Michigan income tax returns, and I submit the attached resolution to the City Commission for approval.

YOUR FISCAL COMMITTEE recommends adoption of the following resolution approving the purchase of the data extract from 2013, 2014, 2015 and 2016 Michigan income tax returns from the Bureau of Revenue, Michigan Department of Treasury.

RESOLVED:

- 1. That the City Commission authorizes a purchase under the Uniform Exchange of Information Agreement between the City of Grand Rapids and the Bureau of Revenue, Michigan Department of Treasury, the City of Grand Rapids, Income Tax Department, of the data extract for 2013, 2014, 2015, and 2016 Michigan income tax returns for a price not to exceed \$72,000.00
- 2. That the Mayor is authorized to execute said Agreement upon approval as to form by the City Attorney; and
- 3. That the Comptroller is authorized and directed to pay invoices pursuant to the terms of said Agreement.

Prepared by Jennifer Woodard

Patrick Beatty