



FY 2023 Recommended Budget Budget Question

Board Question #: 29

BUDGET QUESTION: What is the estimated revenue loss if we increase the BPOL threshold? Please provide scenarios by \$100,000 increments up to \$2 million. Also, please provide the estimated revenue gain if the BPOL cap is removed.

RESPONDING DEPARTMENT/OFFICE: Commissioner of Revenue

RESPONSE: The following chart is based on the 2022 renewal data received as of 3/23/22.

Example: If the threshold were to be increased to \$1.5M, this would eliminate the BPOL tax for 105 businesses (based on their 2022 renewal) at a revenue loss of \$180,641.

Increase BPOL Threshold from \$1 Million to New Threshold		
New Threshold	# of Accts per \$100K	Revenue Loss
\$1,100,000	20	\$32,552
1,200,000	21	\$32,638
1,300,000	18	\$33,253
1,400,000	19	\$37,465
1,500,000	27	\$44,733
1,600,000	19	\$39,711
1,700,000	19	\$46,921
1,800,000	18	\$43,496
1,900,000	15	\$35,245
2,000,000	16	\$47,458
Total	192	\$393,471

If the cap of \$150,000 were to be eliminated, three businesses would be impacted, and revenue would increase by \$348,537.

ESTIMATE OF STAFF TIME SPENT ON RESPONSE: 1.5 hours