

City Council Approves New Taxes in Edwardsville

by Leanne Guthrie, Reporter
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EDWARDSVILLE - The Edwardsville City Council Meeting of Feb. 18, 2020, passed multiple new taxes in the town.

The council voted on three new taxes within the city, the first being a food and beverage tax.

“This ordinance establishes one percent on the retail purchase of alcohol, liquor, food or beverages prepared for immediate consumption at any retail food facility or retail liquor facility. It is estimated to generate over \$300,000 per year. And the proceeds from the tax is used to fund capital equipment and improvements to the city. It’s going to be used for capital equipment improvements for public works, fire department, IT, police, land acquisitions for preservation and recreation, and capital infrastructure, among other things. The money that is raised, I feel personally, will go to some things that we definitely need in the city and will help us out in many areas,” said Alderman Risavy.

“I understand that we need more income to help with things. But I also feel that we have not set priorities. We have such infrastructure needs in this community. We have a lot of needs and yet we’ve tied up a lot of things for parks and recreation. And unfortunately, I think we need to tighten our belt. I think it's unfair that we are asking people for another kind of tax. I know property taxes are a problem, Edwardsville is an affluent community, but not everyone that lives here is affluent. And unfortunately this tax, I know we say that it’s going to be for people who don’t necessarily live here, but I disagree with that and I just cannot support it. I’m done taxing,” said Alderwoman Stack.

The council was very split, having a long discussion of conflicting opinions before the vote. Though the council ultimately ended up approving of the new food and beverage tax.

The next discussed was the possibility of raising an amusement tax in Edwardsville.

“The City of Edwardsville imposes a three percent amusement tax. Proceeds from the three percent tax are directed to the community redevelopment fund. This ordinance amends Chapter 106 in two ways. It’s an increase to five percent and ten percent of the revenue received by the community redevelopment fund is allocated for the acquisition of land for preservation or recreational purposes. It is estimated that it will generate an additional \$112,000 per year, which once again will be allocated to the redevelopment fund,” said Alderman Risavy.

The council voted no for the amusement tax. It was determined that with the few businesses that would be affected, Edison’s and the AMC theater, it would be too much of a directed attack on those few entertainment-based businesses in Edwardsville.

The final tax voted on was the hotel and motel tax.

“The City of Edwardsville imposes a seven percent hotel and motel tax. Proceeds from the seven percent are collected as follows. One point five percent for tourism marketing, one point five percent for special events, one percent for special parks, and three percent to park improvements or debt service towards new parks. In this ordinance, the tax is increased to nine percent and the percentage allocated to special events is reduced by point five percent, the percentage allocated to park improvements or debt service towards new parks is increased to five percent. And point five percent is directed to the community redevelopment fund. It is estimated that it will generate an additional \$106,000 per year,” said Alderman Risavy.

Alderman Krause spoke in favor of the tax as well, touching on how the funds would help with maintaining and improving parks. He listed many of the park improvements that would take place using those funds.

The hotel and motel tax was also approved.

With two out of the three taxes being approved, there are sure to be mixed reactions from those who chose to spend their money within Edwardsville. Though the council assures the money will be put to good use in improving the city.