

**RESOLUTION OF THE WINSTON-SALEM CITY COUNCIL REQUESTING  
ADDITIONAL REVENUE OPTIONS**

**WHEREAS**, the local privilege license tax authority was repealed effective July 1, 2015;  
and

**WHEREAS**, the repeal resulted in a revenue gap of \$3 million dollars for the City of  
Winston-Salem; and

**WHEREAS**, this revenue loss was in addition to the revenue loss sustained by the City  
due to the elimination of the hold harmless payments (\$1.0 million) and the custom software tax  
(\$1.6 million); and

**WHEREAS**, the City, over the course of a number of years, streamlined its operations and  
tightened budgets in an effort to address these revenue losses along with others; and

**WHEREAS**, the Council also raised property taxes by one cent in FY 14-15 to offset the  
loss from the exclusion of custom software from the property tax base; and

**WHEREAS**, for many municipalities like the City of Winston-Salem the only option  
available for generating additional revenues is to increase the ad valorem tax rate; however, said  
option is not a long term sustainable solution for addressing the constant gap in revenues the city  
continues to experience; and

**WHEREAS**, there have been commitments made by members of the North Carolina  
General Assembly to work with cities in finding additional revenue options to replace the  
aforementioned revenue losses; however, the replacement options have not fully addressed the  
problem.

**NOW, THEREFORE BE IT RESOLVED** that the Mayor and the Winston-Salem City  
Council hereby encourage the North Carolina General Assembly to work with cities to identify  
potential revenue options, including but not limited to a local option sales and use tax and enact

legislation that provides options for replacing the revenues losses sustained by municipalities over the past five years.

This Resolution shall be effective upon adoption.