

INDIVIDUAL RETAILERS

Eligibility for Individual Businesses:

1. The business may be a new or existing business in the City; and
2. The business must generate or show proof of its expectation to generate more than \$55,000,000 in annual taxable sales or \$550,000 of new sales tax revenue to the City; and
3. The business must be at a minimum of 50,000 square feet.

Ineligibility:

1. Any business that currently operates or is intending to operate as a "cannabis business" as defined under Farmersville Municipal Code Section 17.53.020(B)(8), and is subject to regulation under Farmersville Municipal Code Chapter 17.53, is not eligible to participate in this Sales Tax Reimbursement Program.

Limits:

1. The new or existing business generating more than \$55,000,000 in annual taxable sales or \$550,000 of new sales tax revenue to the City may receive a total reimbursement from the City in the amount of no more than \$1,750,000 the ("Eligible Compensation Amount") as determined by the City.
2. The Maximum Annual Compensation Amount paid annually to the business will be no more than \$350,000, or (50%) of the sales and use tax revenue in which the business generated in the prior year; and
3. No Maximum Annual Compensation Amount will be set by the City or reimbursed by the same if a business subject to the program fails to generate \$550,000 in sales tax revenue in any given reported year; and
4. No single or cumulative Maximum Annual Compensation Amount will exceed the Eligible Compensation amount as established by the City; and
5. The agreement term shall be for the earlier of a five (5) year period or until the amounts paid to business reach the Eligible Compensation Amount; and
6. The Applicant must enter into a binding agreement with the City.

Documentation:

Requests to participate in the program must include the following:

1. A letter of request;
2. An executed binding agreement;
3. Proof of ownership and operation or expected operation in the City.
4. Documentation of expected annual retail sales transactions which will result in at least \$550,000 of sales tax for the City each year, or documentation of actual retail sales transactions which results in at least \$55,000,000 of taxable sales for the City each year.

Determination of the applicant's revenue will be based on revenues received, as documented by the City's Finance Department.

Application Process:

Program applicants will follow all procedures required by Assembly Bill 562 (2013), including prevailing wage, public hearings and reporting requirements. Upon receipt of a complete request to participate in the City's Sales Tax Reimbursement Program, the request packet will be presented to City personnel and the City consultant for review and recommendation. Requests approved by City personnel will then be presented to City Council for final approval.