



CITY OF BETHLEHEM

10 E. Church Street, Bethlehem, PA 18018-6025

To: Grace Crampsie Smith, Chair of Finance Committee
From: Linnea Lazarchak, Director of Budget and Finance
Date: 6/14/2024
Subject: Mercantile Tax

Action Requested: Budget Adjustment (Ordinance)

Proposed Transaction:

		REVENUE			
<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>	<u>Change</u>	
001A-30108	Mercantile Tax	\$ 2,700,000	\$ 2,770,000	\$	70,000
		Total		\$	70,000
		EXPENSE			
<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>	<u>Change</u>	
0206-42055	Professional Services	\$ 88,200	\$ 158,200	\$	70,000
		Total		\$	70,000

Reason for Proposal:

The City of Bethlehem currently has a **Professional Service** contract with Tri-State Financial Group. This company collects and manages the City's Mercantile & Business Privilege accounts. Their fee is based on collection totals. An increase in revenue increases fees that the City is obligated to pay Tri-State. We are requesting an increase in this line item in order to pay the fees. The large increase in the **Mercantile Tax** revenue will fund these additional expenses.

This transaction will amend the total General Fund budget from \$113,499,955 to \$113,569,955.

Thank you for your consideration.