Ordinance No. 3592

["Beginning July 1, 1998"]

(Amending or Repealing Ordinances)

Amending Sec. 3.19 (formerly 3.09) of Ord. 2573
Repealing Ords. 3418;3420
AN ORDINANCE of the City Council of the City of Kent, Washington, amending Chapter 3.19 of the Kent City Code entitled, "Excise Tax on Real Estate Sales," by (i) consolidating certain provisions of Chapter 3.24 entitled, "Real Estate Excise Tax," into Chapter 3.19; (ii) clarifying that the additional one-quarter percent is for the development and maintenance of parks projects, and (iii) repealing Chapter 3.24

WHEREAS, Chapter 3.19 of the Kent City Code provides for the levying of an excise tax on the sale of real estate within the corporate limits of the City, and

WHEREAS, Chapter 3.24 of the Kent City Code also relates to the levying of an excise tax on the sale of real estate within the corporate limits of the City by providing for an additional levy of such excise tax, and

WHEREAS, the City Council finds that having two chapters in the Kent City Code relating to real estate excise tax is duplicative and confusing and that having all provisions relating to real estate excise tax consolidated into one chapter would be more appropriate, NOW THEREFORE,

Amendment to Excise Tax on Real Estate Sales
THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS

SECTION 1. - Amendment Chapter 3.19 of the Kent City Code, entitled "Excise Tax on Real Estate Sales," is hereby amended to read as follows:

CHAPTER 3.19. EXCISE TAX ON REAL ESTATE SALES

Sec. 3.19.010. Tax levied.
A. Imposition. Pursuant to RCW 82.46.010, there is hereby imposed an excise tax on each sale of real property, constituting a taxable event as defined in RCW 82.45.010 et seq and occurring within the corporate limits of the city. The rate of tax imposed by this section shall be one-quarter (1/4) of one (1) percent of the selling price of all real property upon which this tax is imposed by this subsection. The tax imposed under this section shall be collected from persons who are taxable by the state under RCW 82.45.010 et seq and such tax shall comply with all applicable rules, regulations, laws, and court decisions regarding real estate excise taxes as imposed by the state under RCW 82.45.010 et seq.

B. Rate of tax. The rate of tax imposed by this section shall be one-quarter of one (1) percent of the selling price of all real property upon which this tax is imposed by this section.

B. Additional excise tax. Pursuant to RCW 82.46.035, there is hereby imposed an additional excise tax on each sale of real property constituting a taxable event as defined in RCW 82.45.010 et seq and occurring within the corporate limits of the city for the development and maintenance of parks projects. The rate of the additional tax imposed under this chapter shall be one-quarter (1/4) of one (1) percent of the selling price on real property upon which this tax is imposed by this subsection.

C. Other. The taxes imposed under this section shall be collected from persons who are taxable by the state under Chapter 82.45 RCW and Chapter 458-61 WAC, upon the occurrence of any taxable event, as defined therein, within the corporate
limits of the city. Additionally, the taxes imposed under this section shall comply with all applicable rules, regulations, laws, and court decisions regarding real estate excise taxes imposed by the state under Chapter 82.45 RCW and Chapter 458-61 WAC. The provisions of those chapters shall apply as though fully set forth herein.

Sec. 3.19.020. Capital improvements – Use and limitations. 
A. Use of proceeds. Subject to the limitations specified in this chapter, all proceeds from the tax imposed by this chapter shall be used by the city for financing capital projects specified in the capital facilities plan element of the city’s comprehensive plan pursuant to chapter 82.46 RCW placed in the capital improvement fund and shall be used for capital improvements, including capital projects may include those listed in RCW 35.43.040.

B. Special assessments not limited. This chapter shall not limit the existing authority of the city to impose special assessments in the manner prescribed by law on property benefited thereby.

Sec. 3.19.030. Date payable, interest. The taxes imposed by this chapter shall become due and payable immediately at the time of sale. If not paid within thirty (30) days thereafter, the amount unpaid shall be subject to interest and penalties pursuant to chapter 82.46 RCW and all other applicable laws shall bear interest at the rate of one (1) percent per month from the time of sale until the date of payment.

Sec. 3.19.040. Seller’s obligation. The taxes imposed in this chapter are the obligation of the seller and may be enforced through an action of debt against the seller or in the manner prescribed for the foreclosure of mortgages. Resort to one (1) course of enforcement is not an election not to pursue the other.

Sec. 3.19.050. Tax lien on real property. The taxes imposed in this chapter and any interest or penalties thereon shall constitute a specific lien upon each piece of
real property sold from the time of sale until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages.

**Sec. 3.19.060. King County collection – Administrative fee.** The King County treasurer shall place one (1) percent of the proceeds of the taxes imposed by this chapter in the King County Current Expense Fund to defray costs of collection. The remaining proceeds from the city taxes imposed by this chapter shall be remitted to the city on a monthly basis.

**Sec. 3.19.070. Same – County treasurer as agent.** The taxes imposed by this chapter shall be paid to and collected by the King County treasurer. The county treasurer shall act as agent for the city. The county treasurer shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance prior to its recording, or to the real estate excise tax affidavit in the case of used mobile home sales. A receipt issued by the county treasurer for the payment of the tax shall be evidence of the satisfaction of the lien imposed by KCC 3 19 050, and may be recorded in the manner prescribed for recording satisfactions of mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the King County auditor for filing or recording until the tax is paid and the stamp affixed thereto. If the tax is not due on the transfer, the instrument shall not be accepted until a suitable notation of this fact is made on the instrument by the county treasurer.

**Sec. 3.19.080. Refunds.** If, upon written application by a taxpayer to the King County treasurer for a refund, it appears a tax has been paid in excess of the amount actually due or upon a sale or other transfer declared to be exempt, such excess amount or improper payment shall be refunded by the county treasurer to the taxpayer. No refund shall be made unless the state has first authorized the refund of an excessive amount or an improper amount paid, unless such improper amount was paid as a result.
of miscalculation. Any refund made shall be withheld from the next monthly distribution to the city.

Sec. 3.19.090. State law and regulations adopted by reference. Chapter 82.45 RCW, chapter 82.46 RCW, chapter 458-61 WAC, and any and all subsequent amendments are hereby adopted by this reference as if set forth in full in this chapter. The city clerk is hereby directed to maintain one (1) copy of Chapter 82.46 RCW as currently enacted or as subsequently amended on file for public use and examination during regular city business hours.

SECTION 2. - Savings. The sections of existing Chapters 3.19 and 3.24 of the Kent City Code that are affected by this ordinance shall remain in full force and effect until the effective date of this ordinance.

SECTION 3. - Repeal. Upon the effective date of this ordinance, Chapter 3.24 of the Kent City Code, entitled "Real Estate Excise Tax", is hereby repealed in its entirety.

SECTION 4. - Severability. If any one or more section, subsections, or sentences of this Ordinance are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance and the same shall remain in full force and effect.

SECTION 5. - Effective Date. This ordinance shall take effect and be in force thirty (30) days from and after passage, as provided by law.

JIM WHITE, MAYOR

5 Amendment to Excise Tax on Real Estate Sales
ATTEST

Brenda Jacober
BRENDA JACOBER, CITY CLERK

APPROVED AS TO FORM

TOM BRUBAKER, INTERIM CITY ATTORNEY

PASSED: 19 day of February, 2002
APPROVED: 19 day of February, 2002
PUBLISHED: 23 day of February, 2002.

I hereby certify that this is a true copy of Ordinance No. 3592
passed by the City Council of the City of Kent, Washington, and approved by the
Mayor of the City of Kent as hereon indicated

Brenda Jacober (SEAL)
BRENDA JACOBER, CITY CLERK

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