Ordinance No. 3594

(Amending or Repealing Ordinances)

CFN=171 – Traffic Control
CFF=110 – Water, Sewer & Drainage Rates & Policies
Passed 2/19/2002
Amending KCC Sec. 3.18.020, entitled “Certain utilities subject to tax,” by repealing the sunset provision of December 31, 2007 on the interim tax dedicated to street improvement programs

Amends Ords. 2390;2758;3091;3274;3314;3319;3321;3370;3456;3489

Amended by Ords. 3645;4020;4061

The date ["Beginning July 1, 1998"] has led to confusion. This date will be deleted from cover sheets of ordinance/resolution revision pages. This cover sheet will be deleted on electronic pages only, no other deletions or changes have been made to the document – 6/21/2012
ORDINANCE NO. 3594

AN ORDINANCE of the City Council of the City of Kent, Washington, amending Section 3.18.020 of the Kent City Code, entitled "Certain utilities subject to tax," by repealing the sunset provision of December 31, 2007 on the interim tax dedicated to street improvement programs

WHEREAS, the interim tax on utilities dedicated to street improvement programs has been a useful tool in developing certain street improvements, and

WHEREAS, the interim tax sunsets on December 31, 2007, and

WHEREAS, the short-term remaining on the interim tax makes it difficult to perform long range planning and pursue funding of projects funded by the tax, and

WHEREAS, traffic congestion and street improvements to relieve the same are top priorities for the City, and

WHEREAS, it is in the City's best interest to remove the sunset provision to allow for planning, funding, and development of street projects funded by the interim tax, NOW THEREFORE,

Utility Taxes – Ch. 3.18
Repeal Sunset Provision
THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS

SECTION 1. Section 3 18 020, entitled "Certain utilities subject to tax," is hereby amended to read as follows

Sec. 3.18.020. Certain utilities subject to tax.

A. In addition to the other business and license fees required by the ordinances of the city, there is hereby levied upon all persons (including the city) engaged in certain business activities a utilities tax to be collected as follows:

1. Upon every person engaging in or carrying on any telephone business within the city, an annual tax equal to three and one-half (3 1/2) percent of the total gross operating revenues, including revenues from intrastate toll, derived from the operation of such business within the city. In addition, there shall also be assessed a tax of three-tenths (0.3) percent, which revenue from said tax shall be dedicated to youth teen programs, plus an interim tax of one (1.0) percent effective until 11:59 p.m. on December 31, 2007, which revenue from said interim tax shall be dedicated to street improvement programs. Gross operating revenues for this purpose shall not include charges which are passed on to the subscribers by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this chapter.

2. Upon every person engaging in or carrying on a business of selling, furnishing, distributing, or producing gaseous gas for commercial or domestic use or purposes, a fee or tax equal to three and one-half (3 1/2) percent of the total gross income from such business in the city during the tax year for which the license is required. In addition, there shall also be assessed a tax of three-tenths (0.3) percent, which revenue from said tax shall be dedicated to youth teen programs, plus an interim tax of one (1.0) percent effective until 11:59 p.m. on December 31, 2007, which revenue from said interim tax shall be dedicated to street improvement programs.
3 Upon every person engaged in or carrying on the business of selling, furnishing, or distributing electricity for light and power, a fee or tax equal to three and one-half (3 1/2) percent of the total gross income from such business in the city during the tax year for which a license is required. In addition, there shall also be assessed a tax of three-tenths (0.3) percent, which revenue from said tax shall be dedicated to youth teen programs, plus an interim tax of one (1.0) percent—effective until 11:59 p.m. on December 31, 2007, which revenue from said interim tax shall be dedicated to street improvement programs.

4 Upon every person engaging in or carrying on a business providing garbage service, a tax equal to six and one-half (6 1/2) percent of the total gross income from such business in the city during the tax year for which the license is required. In addition, there shall also be assessed a tax of three-tenths (0.3) percent, which revenue from said tax shall be dedicated to youth teen programs, plus an interim tax of one (1.0) percent—effective until 11:59 p.m. on December 31, 2007, which revenue from said interim tax shall be dedicated to street improvement programs.

5 Upon every person (including the city) engaging in or carrying on the business of selling, furnishing or distributing water, sewer or drainage services, a tax equal to three and one-half (3 1/2) percent of the total gross income from such business in the city during the tax year. In addition, there shall also be assessed a tax of three-tenths (0.3) percent, which revenue from said tax shall be dedicated to youth teen programs, plus an interim tax of one (1.0) percent—effective until 11:59 p.m. on December 31, 2007, which revenue from said interim tax shall be dedicated to street improvement programs.

B. In computing the tax provided in subsection (A) of this section, the taxpayer may deduct from gross income the following items:

1 The actual amount of credit losses and uncollectibles sustained by the taxpayer.
2 Amounts derived from the transactions in interstate and foreign commerce which the city is prohibited from taxing under the laws and Constitution of the United States

**SECTION 2. – 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 3. – Effective Date** This ordinance shall take effect and be in force thirty (30) days after passage as provided by law

JIM WHITE, MAYOR

ATTEST

BRENDA JACOBER, CITY CLERK

APPROVED AS TO FORM

ROGER LUBOVICH, CITY ATTORNEY

TOM BRUBAKER
I hereby certify that this is a true copy of Ordinance No 3594 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