

TAXATION

**Title 11
TAXATION**

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Chapter 11.04
ADMISSION TAX

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- 11.04.140 Penalty for violations.

11.04.010 Definitions. For the purposes of this chapter, words and terms shall have the following meanings:

"Admission charge," in addition to its usual and ordinary meaning, includes but is not limited in meaning to: (1) A charge made for season tickets or subscriptions; (2) a cover charge or a charge made for use of seats or tables, reserved or otherwise, and similar accommodations; (3) A charge made for food or refreshments in any place where any free entertainment, recreation or amusement is provided; (4) A charge made for rental or use of equipment or facilities for purposes of recreation or amusement and, where the rental of the equipment or facilities is necessary to the enjoyment of the privilege for which a general admission is charged, the combined charge shall be considered as the admission charge; (5) A charge made for admission to any theatre, dance hall, amphitheater, private club, auditorium, observation tower, stadium, athletic pavilion or field, baseball or athletic park, circus, side show, swimming pool, outdoor amusement park or any similar place; and includes equipment to which persons are admitted for purposes of recreation such as merry go rounds, ferris wheels, dodge-ems, roller coasters, go carts and other rides whether such rides are restricted to tracks or not; (6) A charge made for automobile parking where the amount of the charge is determined according to the number of passengers in an automobile.

"Comptroller" means the city comptroller.

11.04.020—11.04.040 TAXATION

"Person" means any individual, receiver, assignee, firm, co-partnership, joint venture, corporation, company, joint stock company, association, society, or any group of individuals, acting as a unit, whether mutual, cooperative, fraternal, nonprofit or otherwise. (Ord. 72495 § 1 as amended by Ord. 91775; effective March 1, 1963).

11.04.020 Levy of tax. (a) There is hereby levied and imposed a tax upon everyone without regard to age, who pays an admission charge as defined in Section 11.04.010; Provided, that as contemplated by Section 35.21.280, Chapter 7, Laws of 1965, such tax shall not apply to anyone paying an admission charge to any activity of any elementary or secondary school, nor to anyone paying an admission charge of ten cents or less. The tax here imposed shall be in the amount of five percent on each admission charge or charge for season or series ticket. Any fraction of tax of one-half cent or more shall result in a tax at the next highest full cent.

(b) Amounts paid for admission by season ticket or subscription shall be exempt if the amount which would be charged to the holder or subscriber for a single admission is fifteen cents or less.

(c) Anyone having the use of a box or seat permanently or for a specified period, shall pay in addition to the tax required for admission under subsection (a) of this section a tax in the amount of five percent of the price of such box or seat, the same to be collected and remitted in the manner provided in Section 11.04.070 by the person selling such tickets. (Ord. 72495 § 2 as amended by Ord. 91775, and Ord. 98403 § 1; Dec. 2, 1969).

11.04.030 Cabarets and similar places of entertainment. The admission charge to any cabaret, any private club conducting cabaret activities, or any similar place of entertainment is deemed to be the total amount charged as an admission charge, a cover charge, and/or a charge made for the use of seats and tables reserved or otherwise, and other similar accommodations. (Ord. 72495 § 3 as amended by Ord. 91775 and Ord. 94366 § 1; Dec. 1, 1965).

11.04.040 Swimming pools, skating rinks and golf courses. Where more than fifteen cents is required to be paid to gain entrance to any building, enclosure or area in which there is a swimming pool, skating rink, golf driving range, miniature golf course, short nine or municipal golf course, or to gain entrance to such pool, rink, or course itself, or for the use of the facilities thereof, the amount so paid or any rental paid by the person

paying for such entry for use of equipment and facilities supplied him and appropriate to the enjoyment of the privilege for which the admission is charged, or the aggregate thereof, shall be deemed the admission charge. (Ord. 72495 § 4, as amended by Ord. 91775; effective March 1, 1963).

11.04.050 Resorts and picnic grounds. Anyone paying more than fifteen cents to gain admission to any resort or picnic grounds is subject to a tax of three per cent on such admission charge even though such amount includes a charge for use of equipment and facilities such as tables, stoves and bath houses. If a lesser amount is charged to persons who do not use such equipment and facilities than those who do use such equipment and facilities, the lesser charge is deemed the admission charge. Where a separate charge is made for the use of equipment and facilities, such charge is not subject to the tax herein levied unless it constitutes or is part of an "admission charge." Whenever an organization or club acquires the sole right to use a resort or picnic grounds, solely for the enjoyment of its members or employees and their friends, the amount paid for such right is an amount paid for an admission charge and subject to the tax herein levied: Provided, that if the organization or club in turn charges its members or employees all or part of the amount so paid, such charge does not constitute an admission charge subject to the tax herein levied. Amounts paid for the privilege of parking cars in a resort or picnic grounds do not constitute an admission charge unless the amount of such charge is determined by the number of passengers in the automobile or the same charge is made to all persons who enter the resort or grounds, whether on foot or by other means of transportation. If a charge is made for each passenger in an automobile, in addition to a charge for parking facilities, the amount paid for the passengers is an admission charge and subject to the tax herein levied. The tax herein levied shall be paid by the person paying the admission charge and shall be collected and remitted by the person to whom the same is paid in the manner provided in Section 11.04.070 hereof. (Ord. 72495 § 5, as amended by Ord. 91775; effective March 1, 1963).

11.04.060 Tickets or counting device required—Prices to be printed on ticket. Whenever a charge is made for admission to any place, a serially numbered or reserved seat ticket shall be furnished the person paying such charge unless written approval has been obtained from the City Comptroller to use a turnstile or other counting device which will accurately count the number of paid admissions. The established price, any non-city tax, city tax, and total price at which every such admission ticket or card is sold shall be conspicuously and indelibly printed or written on the face or back of that part of the ticket which is to be taken up by the management of the place to which admission is gained. It shall be unlawful for anyone to sell an admission ticket or card on which the name of the

person conducting the event or the price is not so printed, stamped or written, or to sell or offer to sell an admission ticket or card at a price in excess of the price printed, stamped or written thereon. The admission tax due shall be based on the established price printed on each ticket. When a charge is made for admission, a sign must be posted in a conspicuous place on the entrance or ticket office which breaks down the admission charge as follows:

Established Price	-----
Non-city Tax	-----
City Tax	-----
Total Price	-----

(Ord. 72495 § 6, as amended by Ord. 91775; effective March 1, 1963).

11.04.070 Collection and remittance of tax. Anyone, including any municipal or quasi municipal corporation, who receives any payment for any admission charge on which a tax is levied under this chapter shall collect the amount of the tax from the person making the admission payment and shall remit the same to the City Comptroller as herein provided. The tax required to be collected under this chapter shall be deemed held in trust by the person required to collect the same until remitted to the Comptroller as herein provided. Anyone required to collect the tax imposed under this chapter who fails to collect same, or who collects the same but fails to remit the same to the Comptroller in the manner prescribed by this chapter shall be liable to the city for the amount of such tax, and shall, unless the remittance be made as herein required, be guilty of a violation of this chapter whether such failure be the result of his or its own act or the result of acts or conditions beyond his or its control. The tax imposed hereunder shall be collected from the person paying the admission charge at the time said admission charge is paid and such taxes shall be remitted by the person collecting the tax to the Comptroller in monthly remittances on or before the 15th day of the month next succeeding the end of the monthly period in which the tax is collected or received and accompanied by such reports as the Comptroller shall require: Provided, that the Comptroller, for good cause shown, may extend the time for making and filing the return and remittance of the tax due. Payment or remittance of the tax collected may be made by check unless payment or remittance is otherwise required by the Comptroller, but payment by check shall not relieve the one collecting the tax from liability for payment and remittance of the tax to the Comptroller unless the check is in the full and correct amount and until the check is honored. Anyone receiving any payment for admissions shall make out a return upon such forms and setting forth such information as the Comptroller may require, showing the amount of the tax upon admissions for which he is liable for the preceding monthly period, and shall sign and transmit the same to the City Comptroller with a remittance for said amount: Pro-

vided, that the Comptroller may in his discretion require verified annual returns from anyone receiving admission payments setting forth such additional information as he may deem necessary to determine correctly the amount of tax collected and payable. If the return provided for herein is not made and the tax is not collected and paid within fifteen days after the end of the month in which the tax was collected, the City Comptroller shall add a penalty of ten per cent of the tax per month or fraction thereof for each month overdue, which shall be added to the amount of the tax due, and remitted in the same manner. Whenever any theatre, circus, show, exhibition, entertainment or amusement makes an admission charge which is subject to the tax herein levied, and the same is of a temporary or transitory nature or there exists a reasonable question of financial responsibility, of which the Comptroller shall be the judge, the Comptroller may require the report and remittance of the admission tax immediately upon the collection of the same, at the conclusion of the performance or exhibition, or at the conclusion of the series of performances or exhibitions or at such other times as the Comptroller shall determine; and failure to comply with any requirement of the Comptroller as to report and remittance of the tax as required shall be a violation of this Chapter. Everyone liable for the collection and payment of the tax imposed by this chapter shall keep and preserve for a period of five years all unused tickets, ticket manifests, books and all other records from which can be determined the amount of admission tax which he was liable to remit under the provisions of this chapter, and all such tickets, books and records shall be open for examination and audit at all reasonable times by the Comptroller or his duly authorized agent. Written permission may be granted by the City Comptroller to destroy unused tickets prior to the expiration of the five year period. (Ord. 72459 § 7, as amended by Ord. 91775; effective March 1, 1963).

11.04.080 Certificate of registration. Any person conducting or operating any place for entrance to which an admission charge is made shall, on a form prescribed by the Comptroller, make application to and procure from the Comptroller a Certificate of Registration, the fee for which shall be one dollar, which certificate shall continue valid until the 31st day of December of the year in which the same is issued. Such Certificate of Registration, or duplicate original copies thereof to be issued by the Comptroller without additional charge, shall be posted in a conspicuous place in each ticket or box office where tickets of admission are sold. (Ord. 72490 § 8; March 31, 1943).

11.04.090 Temporary or transitory amusements. Whenever the applicant for a Certificate of Registration, obtained for the purpose of operating or conducting a temporary or transitory amusement, entertainment or exhibition, is not the owner, lessee, or custodian of the buildings, lots or place where the amusement is to be conducted, the tax imposed by this Chapter

shall be reported and remitted as provided in Section 11.04.070 hereof by the person who is the owner, lessee or custodian, if not paid by the person conducting said amusement, entertainment or exhibition. The applicant for a Certificate of Registration in any such case shall furnish the Comptroller, with said application, with the name and address of the owner, lessee or custodian of the premises upon which the amusement is to be conducted, and such owner, lessee or custodian shall be notified by the Comptroller of the issuance of such certificate and of his joint liability for collection and remittance of such tax. (Ord. 72495 § 9, as amended by Ord. 91775; effective March 1, 1963).

11.04.100 Rules and regulations. The Comptroller shall have power to adopt rules and regulations not inconsistent with the terms of this chapter for carrying out and enforcing the payment, collection and remittance of the tax herein levied; and a copy of said rules and regulations shall be on file and available for public examination in the Comptroller's office. Failure or refusal to comply with any such rules and regulations shall be deemed a violation of this chapter. (Ord. 72495 § 10; March 31, 1943).

11.04.105 Applications and returns confidential. The applications and returns made to the Comptroller pursuant to this chapter shall not be made public, nor shall they be subject to the inspection of anyone except the Mayor, Corporation Counsel, City Comptroller or authorized agent, and members of the City Council; and it shall be unlawful for anyone to make public or to inform another person as to the contents or any information contained in or to permit inspection of any application or return except as in this section authorized. (Ord. 72495 § 15, added by Ord. 91775, effective March 1, 1963).

11.04.110 Effective date. The tax hereby levied and imposed shall be collected and paid on and after May 1, 1943. (Ord. 72495 § 11; March 31, 1943).

11.04.120 Receipts to be placed in contingent Fund "C." All receipts from the Admission Tax herein levied shall be placed in Contingent Fund "C" established by Sections 10.04.125—10.04.127 and shall be disposed of as provided in said sections for other collections placed in said fund under said sections. (Ord. 72495 § 11-1, added by Ord. 79849; April 5, 1951).

11.04.130 Severability. If any portion of this chapter shall be adjudged invalid, such invalidity shall not affect the portions which are not adjudged invalid. (Ord. 72495 § 12; March 31, 1943).

11.04.135 Liability as principal for violation. Anyone who directly or indirectly performs or omits to perform any act in violation of this chapter, or aids or abets the same, whether present or absent, and every person who directly or indirectly counsels, encourages, hires, commands, induces or otherwise procures another to commit such violation is, and shall

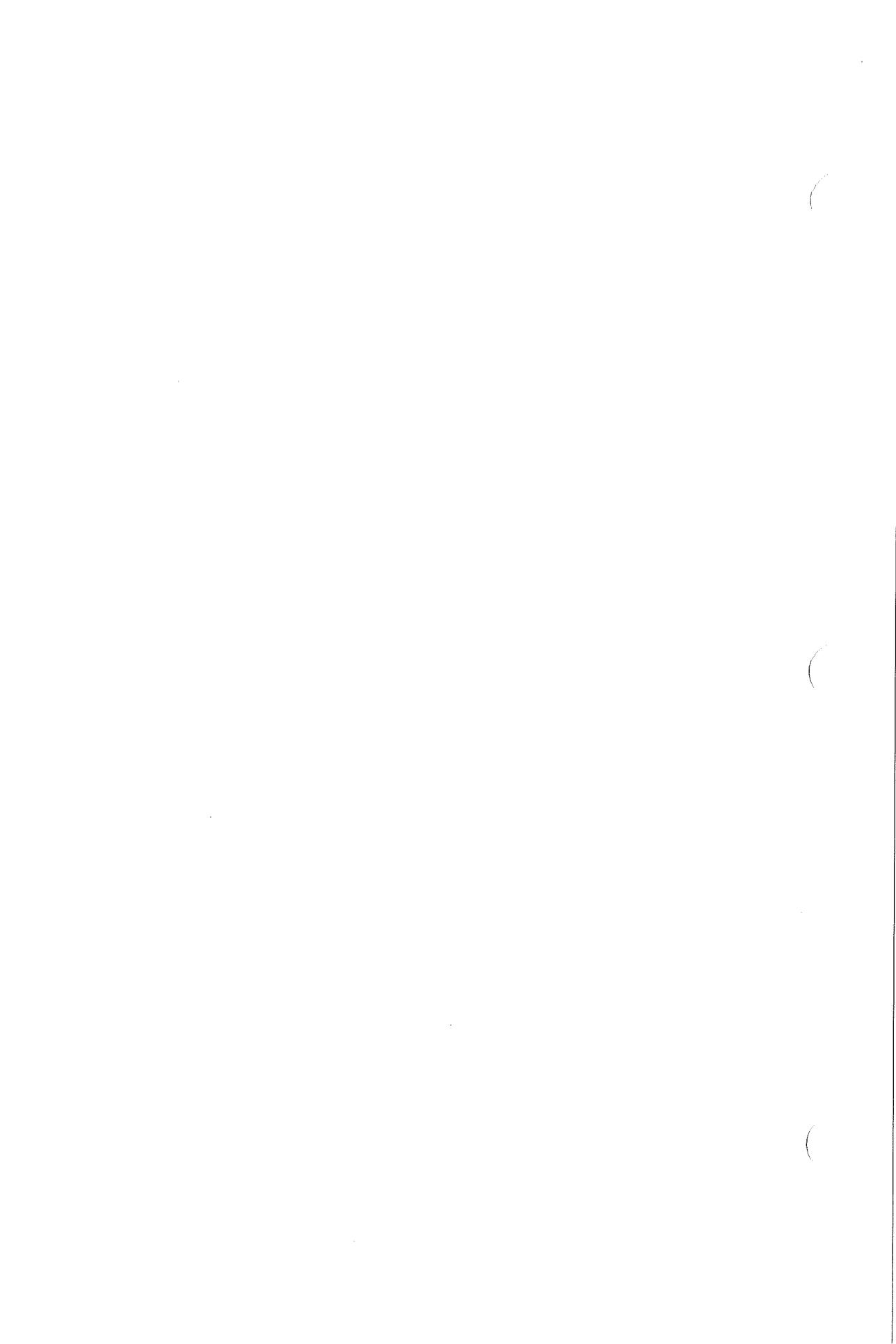
be, a principal under the terms of this chapter and may be proceeded against as such. (Ord. 72495 § 14, added by Ord. 91775; effective March 1, 1963).

11.04.140 Penalty for violations. Each violation of or failure to comply with the provisions of this chapter shall constitute a separate offense and shall subject the offender to a fine of not to exceed three hundred dollars or to imprisonment in the city jail for not to exceed ninety days, or to both such fine and imprisonment. (Ord. 72495 § 13; March 31, 1943).

Chapter 11.08
BUSINESS TAX

Sections:

- 11.08.010 Exercise of power to license for revenue.
- 11.08.020 Definitions.
- 11.08.030 "To manufacture"—Additional definition.



- 11.08.031 Quarterly period defined.
- 11.08.040 Enumeration of persons subject to tax—Amount
- 11.08.050 Taxable as to each activity.
- 11.08.060 Determination of values.
- 11.08.070 Persons doing business both within and without city.
- 11.08.080 Sales by consignee, bailee, factor or auctioneer.
- 11.08.090 Exemptions.
- 11.08.100 Exemption of accommodation sales.
- 11.08.110 Deductions.
- 11.08.120 Minimum tax.
- 11.08.130 Business license required.
- 11.08.140 Quarterly payment of license fee or tax.
- 11.08.150 Payment—How made.
- 11.08.160 Books and records to be kept for five years.
- 11.08.170 Payment of tax required before final payment is made on public work contract.
- 11.08.180 Extension of time for filing returns—Penalties.
- 11.08.190 Sale or transfer of business.
- 11.08.200 Applications and returns confidential.
- 11.08.210 Over or underpayment of tax.
- 11.08.220 Failure to make return.
- 11.08.230 Appeals.
- 11.08.240 Rules and regulations.
- 11.08.250 Mailing notices.
- 11.08.260 False or fraudulent returns—Hindering enforcement.
- 11.08.270 License fee and tax additional to others.
- 11.08.280 Collection of delinquent tax.
- 11.08.290 Application to city's business activities.
- 11.08.300 Revocation of license.
- 11.08.310 Penalty for violations.
- 11.08.320 Severability.

11.08.010 Exercise of power to license for revenue. The provisions of this chapter shall be deemed an exercise of the power of The City of Seattle to license for revenue. (Ord. 72630 § 1; June 4, 1943).

11.08.020 Definitions. In construing the provisions of this chapter, save when otherwise declared or clearly apparent from the context, the following definitions shall be applied:

(a) The term "tax year" or "taxable year" shall mean either the calendar year or the taxpayer's fiscal year when permission is obtained from the Comptroller to use a fiscal year in lieu of the calendar year.

(b) The word "person" or word "company," herein used interchangeably, means any individual, receiver, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, club, company, joint-stock company, business trust, corporation, association, society, or any

group of individuals acting as a unit, whether mutual, cooperative, fraternal, non-profit or otherwise, and includes the United States or any instrumentality thereof, provided a valid tax may be levied upon or collected therefrom under the provisions of this chapter.

(c) The word "sale" includes the exchange of property as well as the sale thereof for money; and also includes conditional sale contracts, leases with option to purchase and any other contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It shall also be construed to include the furnishing of food, drink, or meals for compensation, whether consumed upon the premises or not.

(d) The term "gross proceeds of sales" means the value proceeding or accruing from the sale of tangible personal property and for services rendered without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

(e) The term "gross income of the business" means the value proceeding or accruing by reason of the transaction of the business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds or other evidences of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends and other emoluments however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes or any other expense whatsoever paid or accrued and without any deduction on account of losses.

(f) The term "value proceeding or accruing" means the consideration, whether money, credits, rights or other property expressed in terms of money, actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer. The Comptroller may provide by regulation that the value proceeding or accruing from sales on the installment plan under conditional contracts of sale may be reported as of the dates when the payments become due.

(g) The word "extractor" means every person who, from his own land or from the land of another under a right or license granted by lease of contract, either directly or by contracting with others for the necessary labor or mechanical services, for sale or commercial use, mines, quarries, takes or produces coal, oil, natural gas, ore, stone, sand, gravel, clay, mineral or other natural resource product, or fells, cuts or takes timber or other natural products, or takes, cultivates, or raises fish, shall fish or other sea or inland water foods or products, but does not include

persons performing under contract the necessary labor or mechanical services for others.

(h) The word "manufacturer" means every person who, either directly or by contracting with others for the necessary labor or mechanical services, manufactures for sale or commercial use from his own materials or ingredients any articles, substances or commodities. When the owner of equipment or facilities furnishes, or sells to the customer prior to manufacture, all or a portion of the materials that become a part or whole of the manufactured article, the Comptroller shall prescribe equitable rules for determining tax liability.

(i) The term "to manufacture" embraces all activities of a commercial nature wherein labor or skill is applied, by hand or machinery, to materials so that as a result thereof a new, different or useful article of tangible personal property or substance of trade or commerce is produced and shall include the production or fabrication of special made or custom made articles.*

(j) The term "commercial use" means the following uses of products by the extractor or manufacturer thereof:

1. Manufacturing of articles, substances or commodities from extracted products;
2. Leasing or renting of extracted or manufactured products;
3. Consigning, shipping or transferring extracted or manufactured products to another either without consideration or in the performance of contracts;
4. Any other use of products extracted or manufactured on a commercial scale under such rules and regulations as the Comptroller shall prescribe.

(k) The word "business" includes all activities engaged in with the object of gain, benefit or advantage to the taxpayer or to another person or class, directly or indirectly.

(l) The term "engaging in business" means commencing, conducting or continuing in business and also the exercise of corporate or franchise powers as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

(m) The term "cash discount" means a deduction from the invoice price of goods or charge for services which is allowed if the bill is paid on or before a specified date.

(n) The term "tuition fee" shall be construed to include library, laboratory, health service and other special fees, and amounts charged for room and board by an educational institution when the property or service for which such charges are made is furnished exclusively to the

*Additional definitions—See Section 11.08.030.

students or faculty of such institution: Provided, That the term "educational institution," as used herein, shall be construed to mean only those institutions created or generally accredited as such by the State and offering to students an educational program of a general academic nature, or those institutions which are not operated for profit and which are privately endowed under a deed of trust to offer instruction in trade, industry and agriculture, but not including specialty schools, business colleges, trade schools or similar institutions.

(o) The word "successor" means any person who shall, through direct or mesne conveyance, purchase or succeed to the business, or portion thereof, or the whole or any part of the stock of goods, wares or merchandise or fixtures or any interest therein of a taxpayer quitting, selling out, exchanging or otherwise disposing of his business. Any person obligated to fulfill the terms of a contract shall be deemed a successor to any contractor defaulting in the performance of any contract as to which such person is a surety or guarantor.

(p) The word "taxpayer" includes any individual, group of individuals, corporation or association required to have a Business License hereunder, or liable for any license fee or tax, or for the collection of any license fee or tax hereunder, or who engages in any business, or who performs any act, for which a license fee or tax is imposed by this chapter.

(q) Words in the singular number shall include the plural, and the plural shall include the singular. Words in one gender shall include all other genders.

(r) "Bi-monthly period" shall mean a two month period beginning with the first day of the odd-numbered month and including the last day of the next succeeding month.

(s) The word "Comptroller" shall mean the City Comptroller and ex-officio City Clerk of The City of Seattle.

(t) The word "Treasurer" shall mean the Treasurer of The City of Seattle.

(u) The word "City" shall mean The City of Seattle. (Ord. 72630 § 2, as amended by Ord. 73335; June 8, 1944).

11.08.030 "To manufacture"—Additional definition. In addition to the activities set forth in Section 11.08.020 (i) the term "to manufacture" includes the producing of articles for sale, or for commercial or industrial use from raw materials or prepared materials by giving such materials new forms, qualities, properties or combinations, including, but not limited to, such activities as making, fabricating, processing, refining, mixing, slaughtering, packing, aging, curing, mild curing, preserving, canning, and the preparing and freezing of fresh fruits and vegetables. (Ord. 72630 § 2.1, added by Ord. 85388; August 7, 1956).

11.08.031 Quarterly period defined. "Quarterly period" means only the following periods; January-February-March, April-May-June, July-August-September, October-November-December, and shall begin the first day of the first month and include the last day of the third month within said period. (Ord.72630 § 2.2. added by Ord. 88270 and amended by Ord. 98817 § 6; April 17, 1970).

11.08.040 Enumeration of persons subject to tax—Amount.* There is levied upon and shall be collected from and paid as hereinafter provided by every person on account and for the privilege of engaging in business activities, a license fee or occupation tax, sometimes herein referred to as the "tax", in amounts to be determined by application of rates given against value of products, gross proceeds of sale, or gross income of business, as the case may be, for the three calendar months next preceding the beginning of each quarterly period as follows:

(a) Upon every person engaging within this city in business as an extractor; as to such persons the amount of the tax with respect to such business shall be equal to the value of the products extracted for sale or commercial use, multiplied by the rate of one-tenth of one percent.

The measure of the tax is the value of the products so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the city;

(b) Upon every person engaging within this city in business as a manufacturer; as to such persons the amount of the tax with respect to such business shall be equal to the value of the products manufactured, multiplied by the rate of one-tenth of one percent;

The measure of the tax is the value of the products so manufactured, regardless of the place of sale or the fact that deliveries may be made to points outside the city;

(c) Upon every person engaging within this city in the business of making sales at wholesale or retail, except persons taxable under subsection (d) of this section; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business without regard to the place of delivery of articles, commodities, or merchandise sold, multiplied by the rate of one-tenth of one percent;

(d) Upon every person engaging within this city in the business of buying wheat, oats, corn, barley and rye, but not including any manufactured or processed products thereof, and selling the same at whoelsale; the tax imposed shall be equal to the gross proceeds derived from such sales multiplied by the rate of one one-hundredth of one percent.

Upon every person engaging within this city in the business of manufacturing wheat into flour; the tax imposed shall be equal to the value of

*Ed. note: A temporary surtax amounting to eighty percent of the license fee was imposed by Ordinance 100221 to expire December 31, 1971.

the flour manufactured, multiplied by the rate of one one-hundredth of one percent;

(e) Upon every person engaging within this city in the business of: (1) Printing and publication of newspapers, periodicals or magazines, (2) Building, repairing or improving any publicly owned street, place, road, highway, bridge or trestle which is used, or to be used, primarily for foot or vehicular traffic; as to such persons the amount of tax on such business shall be equal to the gross income of the business multiplied by the rate of one-tenth of one percent;

(f) Upon every other person engaging within this city in any business activity other than or in addition to those enumerated in subsection (a), (b), (c), (d), and (e) above, including, subject to and in accordance with the definitions, deductions and exemptions set forth in RCW Chapter 82.04 insofar as the same may be applicable, national banks, state banks, trust companies, mutual savings banks, building and loan associations, savings and loan associations, loan companies, and other banking, loan, security or financial institutions; as to such persons the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of one-tenth of one percent. This subsection includes, among others, and without limiting the scope hereof (whether or not title to material used in the performance of such business passes to another by accession, confusion or other than by outright sale), persons engaged in the business of rendering any type of service. (Ord. 72630 § 3 as amended by Ord. 93360, Ord. 98817, Ord. 100946 and Ord. 101033 § 1; May 24, 1972).

11.08.050 Taxable to each activity. Every person engaging in activities which are within the purview of the provisions of two or more subsections designated (a), (b), (c), (d), (e) and (f) of Section 11.08.040, shall be taxable under each applicable subsection; provided, that persons taxable under subsection (c) of said section on products sold within the city for delivery within the state of Washington shall not be taxable under subsections (a) or (b) thereof with respect to extracting or manufacturing of such products so sold, and that persons taxable under subsection (b) thereof shall not be taxable under subsection (a) thereof with respect to extracting the ingredients of the product so manufactured. (Ord. 72630 § 4 as amended by Ord. 81150; July 9, 1952).

11.08.060 Determination of value. The value of products, including by-products, extracted or manufactured shall be determined by the gross proceeds derived from the sale thereof, whether such sale is at wholesale or at retail, to which shall be added all subsidies and bonuses received from the purchaser or from any other person with respect to the extraction, manufacture, or sale of such products or byproducts by the seller, except:

(a) Where such products, including byproducts, are extracted or manufactured for commercial or industrial use;

(b) Where such products, including byproducts, are shipped, transported or transferred out of the city, or to another person, without prior sale or are sold under circumstances such that the gross proceeds from the sales are not indicative of the true value of the subject matter of the sale.

In the above cases, the value shall correspond as nearly as possible to the gross proceeds from sales in this city of similar products of like quality and character, and in similar quantities by the taxpayer or others, plus the amount of subsidies or bonuses ordinarily payable by the purchaser or by any third person with respect to the extraction, manufacture, or sale of such products. The comptroller shall prescribe uniform and equitable rules for the purpose of ascertaining such values. (Ord. 72630 § 5 as amended by Ord. 93360; Nov. 10, 1964).

11.08.070 Persons doing business both within and without city. Persons engaged in the business of rendering services both within and without the city, or partially within and partially without the city, and maintaining an office or place of business within the city and not elsewhere, shall be taxable on the gross income from the business without regard to the place where the services are rendered; and such persons having an office or place of business inside the city and also elsewhere shall, for the purpose of computing tax liability under this chapter, apportion to the city that portion of his gross income which is derived from services rendered within the city. Where such apportionment cannot be made by separate accounting methods, the taxpayer shall apportion to the city that portion of his total income which the cost of doing business within the city bears to the total cost of doing business both within and without the city.

Persons maintaining an office, plant, warehouse or other business establishment which is partly within and partly outside of the city, shall be taxable on the value of products, gross proceeds of sales, or gross income of the business attributable to business within the city, ascertained either (i) by a segregation of business within and business outside the city, shown and supported by separate accounting records, or (ii) if such segregation cannot be practicably made, by an apportionment to the city of that part of the total value of products, gross proceeds of sales, or gross income of the business derived from business both within and outside the city (aa) in the proportion that the cost of doing business within the city bears to the cost of doing business both within and outside of the city, or (bb) when the use of such apportionment factor is impractical or inequitable, by a fair and equitable apportionment of such values, proceeds, or income between business within the city and business outside of the city upon such basis, comparable in character to that prescribed in (aa) above, as shall be agreed upon by the comptroller and the taxpayer after consideration of the facts. (Ord. 73630 § 6 as amended by Ord. 73023; December 29, 1943).

11.08.080 Sales by consignee, bailee, factor or auctioneer. Every consignee, bailee, factor or auctioneer having either actual or constructive possession of tangible personal property, or having possession of the documents of title thereto, with power to sell such tangible personal property in his or its own name and actually so selling, shall be deemed the seller of such tangible personal property within the meaning of this chapter; and further, the consignor, bailor, principal or owner shall be deemed a seller of such property to the consignee, bailee, factor or auctioneer.

The burden shall be upon the taxpayer in every case to establish the fact that such taxpayer is not engaged in the business of selling tangible personal property but is acting merely as broker or agent in promoting sales for a principal; such claim will be allowed only when the taxpayer's account records are kept in such manner as the Comptroller shall by general regulation provide. (Ord. 72630 § 8; June 4, 1943).

11.08.090 Exemption. The provisions of this chapter shall not apply to:

(a) Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of Chapter 11.12;

(b) Any person in respect to insurance business upon which a tax based on gross premiums is paid to the state of Washington; provided, that the provisions of this subsection shall not exempt any person engaging in the business of representing any insurance company, whether as general or local agent or acting as broker for such companies; and provided further, that the provisions of this subsection shall not exempt any bonding company from tax with respect to gross income derived from the completion of any contract as to which it is a surety, or as to any liability as successor to the liability of the defaulting contractor;

(c) Any person in respect to the agricultural business according to the provisions of RCW 82.04.330;

(d) Any person in respect to the business of conducting boxing contests and sparring and/or wrestling matches and exhibitions for the conduct of which a license must be secured from the State Athletic Commission;

(e) Any person in respect to the business of conducting race meets for the conduct of which a license must be secured from the State Horse Racing Commission;

(f) Any person in respect to his employment in the capacity of an employee or servant as distinguished from that of an independent contractor;

(g) Any person in respect to certain fraternal and beneficiary organizations according to the provisions of RCW 82.04.370;

(h) The gross income received by the United States or any instrumentality thereof, by the State of Washington, or any municipal subdivision thereof, or by any religious society, association or corporation, through

the operation of any hospital, clinic, resort or other institution devoted exclusively to the care of healing of human beings; provided, that no exemption is granted where the income therefrom inures to the benefit of any physician, surgeon, stockholder or individual by virtue of ownership or control of such hospital, clinic, resort or other institution;

(i) The gross proceeds derived from the sale of real estate; provided, that this exemption shall not be construed to allow a deduction of amounts received as commissions from the sale of real estate, nor as fees, handling charges, discounts, interest or similar financial charges resulting from, or relating to, real estate transactions;

(j) The business of manufacturing, selling, or distributing motor vehicle fuel, as the term "motor vehicle fuel" is defined in RCW 82.36.010;

(k) Liquor as that term is defined in RCW 66.04.010(16). (Ord. 72630 § 9 as amended by Ord. 81150, Ord. 94555 and Ord. 100946 § 2; May 3, 1972).

11.08.100 Exemption of accomodation sales. This chapter shall not apply to sales for resale by persons regularly engaged in the business of making sales of the type of property so sold to other persons similarly en-

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gaged in the business of selling such property where: (1) The amount paid by the buyer does not exceed the amount paid by the seller to his vendor in the acquisition of the article; and (2) The sale is made as an accomodation to the buyer to enable him to fill a bona fide existing order of a customer or is made within fourteen days to reimburse in kind a previous accommodation sale by the buyer to the seller: Provided, that where the seller holds himself out as being regularly engaged in the business of making sales at wholesale of such property, such sales shall be incidental to his principal business activity. (Ord. 72630 § 9.1 added by Ord. 85026; April 3, 1956).

11.08.110 Deductions. In computing the license fee or tax there may be deducted from the measure of tax the following items:

(a) Amounts derived by persons, other than those engaging in banking, loan, security or other financial businesses, from investments or the use of money as such;

(b) Amounts derived from bona fide initiation fees, dues, contributions, donations, tuition fees and endowment funds. The provisions of this paragraph shall not be construed to exempt any person, association or society from tax liability upon selling tangible personal property or upon providing facilities or services for which a special charge is made to members or others: Provided that dues which are for, or graduated upon, the amount of service rendered by the recipient thereof are not permitted as a deduction hereunder;

(c) The amount of cash discount actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extractive and/or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for the purpose of this tax, have been computed according to the provisions of Section 11.08.060 hereof;

(d) The amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis;

(e) Amounts derived from business which the city is prohibited from taxing under the constitution or laws of the state or the constitution or laws of the United States, and any amounts collected by the taxpayer as an excise tax. (Ord. 72630 § 10 as amended by Ord. 73335; June 8, 1944).

11.08.120 Minimum tax. Whenever a person engages in one or more business activities wherein the value of products, gross proceeds of sale or gross income of the taxable business is less than two thousand dollars for a quarterly period such taxpayer shall pay a minimum tax of two dollars, for each of said quarterly periods and accompany such payment with a quarterly return, except as provided by Section 11.08.140. (Ord. 72640 § 11 as amended by Ord. 88270 and Ord. 98817 § 2; April 17, 1970).

11.08.130 TAXATION

11.08.130 Business license required. On and after the first day of July, 1943, if this chapter is then in effect, otherwise on and after the effective date of this chapter, no person, whether subject to the payment of a tax or not, shall engage in any business or activity in the city of Seattle for which a license fee or tax is imposed by this chapter without having first obtained and being the holder of a valid and subsisting license so to do, to be known as a "business license," issued under the provisions of this chapter, as hereinafter provided, and without paying the license fee or tax imposed by this chapter. The fee or tax for the "business license" shall be the license fee or tax imposed by this chapter, and in addition the sum of one dollar, as a license fee which shall accompany the application for the license. Such license shall expire at the end of the calendar year in which it is issued, and a new license shall be required for each calendar year; provided, that any such license may be renewed from year to year upon application without the payment of such one dollar license fee. Applications for the license shall be made to and issued by the comptroller on forms provided by him.

Said license shall be personal and nontransferable. In case business is transacted at two or more separate places by one taxpayer, a separate license for each place at which business is transacted with the public shall be required, but for such additional licenses no additional one dollar fee shall be required. Each license shall be numbered, shall show the name, place and character of business of the taxpayer, such other information as the comptroller shall deem necessary, and shall at all times be conspicuously posted in the place of business for which it is issued. Where a place of business of the taxpayer is changed, the taxpayer shall return to the comptroller the license and new license shall be issued for the new place of business free of charge.

No person to whom a license has been issued pursuant to this chapter shall suffer or allow any other person for whom a separate license is required to operate under or display his license; nor shall such other person operate under or display such license. (Ord. 72630 § 12 as amended by Ord. 81150; July 9, 1952).

11.08.140 Quarterly payment of license fee or tax. The license fee or tax imposed by this chapter except the one dollar required to accompany the application for the license, shall be due and payable in quarterly installments, and remittance therefor shall be made on or before the fifteenth day of the month next succeeding the end of the quarterly period in which the tax accrued. The remittance shall be made as hereinafter provided and shall be accompanied by a return on a form to be provided and prescribed by the comptroller. To the return the taxpayer shall be required to swear or affirm that the information therein given is full and true and that the taxpayer knows the same to be so.

Whenever the total tax paid by anyone does not exceed the sum of five dollars for any quarterly period, or twenty dollars for any tax year, an annual return may be made on written approval by the city comptroller.

Whenever a taxpayer commences to engage in business during any quarterly period, his first return and the license fee or tax shall be based upon and cover the portion of the quarterly period during which he is engaged in business.

First payments and returns under this chapter shall be made on or before September 15, 1943. (Ord. 72360 § 13 as amended by Ord. 88270; and Ord. 98817 § 3; April 17, 1970).

11.08.150 Payment—How made. The license fee or tax payable hereunder shall at the time the return is required to be filed hereunder be paid to the city treasurer by bank draft, certified check, cashier's check, personal check or money order, or in cash. If payment is made by draft or check, the tax or fee shall not be deemed paid unless the check or draft is honored in the usual course of business; nor shall the acceptance of any sum by the treasurer be an acquittance or discharge of the tax or fee due unless the amount of the payment is in the full and actual amount due. The return shall first be presented to the city treasurer, who shall endorse thereon the date and amount of the payment received by him and return the same to the taxpayer, who shall thereupon forthwith file the return with the comptroller.

The comptroller is authorized, but not required to mail to taxpayers forms for applications for license and forms for returns, but failure of the taxpayer to receive any such forms shall not excuse the taxpayer from making application for and securing the license required, making returns, and payment of the license fee or tax, when and as due hereunder. (Ord. 72630 § 14; June 4, 1943).

11.08.160 Books and records to be kept for five years. It shall be the duty of every person liable for the payment of any fee or tax imposed by this chapter to keep and preserve for the period of five years such books and records as will accurately reflect the amount of his gross in-

come, gross proceeds of sale or value of products, as the case may be, and from which can be determined the amount of any fee or tax for which he may be liable under the provisions of this chapter; and all such books and records, and also invoices, inventories and stocks of goods, wares and merchandise shall be open for examination at all reasonable times by the comptroller or his duly authorized agent.

In the case of any such person who does not keep the necessary books and records within the city for examination it shall be sufficient if such person produces within the city such books and records as may be required by the city comptroller or bears the cost of examination by the comptroller's agent at the place where such books and records are kept; provided that the person electing to bear such cost shall pay to the comptroller the estimated amount thereof including round-trip fare, lodging, meals and incidental expenses, subject to adjustment upon completion of the examination. (Ord. 72630 § 15 as amended by Ord. 84597; Nov. 7, 1955).

11.08.170 Payment of tax required before final payment is made on public work contract. The comptroller shall, before issuing any warrant making final payment to any person performing any public work contract for the city, require such person to pay in full all license fees or taxes due under the ordinance from such person on account of such contract, or otherwise. (Ord. 72630 § 16; June 4, 1943).

11.08.180 Extension of time for filing returns—Penalties. The comptroller for good cause shown may extend the time for making and filing any return as required under this chapter and may grant such reasonable additional time within which to file such returns as he may deem proper.

For each payment due, if such payment is not received within sixteen days from the due date of such tax, there shall be added a penalty as follows:

Seventeen to forty days delinquency, 10% with a minimum penalty of \$1.00; forty-one to seventy days delinquency, 15% with a minimum penalty of \$2.00; and seventy-one or more days delinquency, 20% with a minimum penalty of \$3.00. (Ord. 72630 § 17 as amended by Ord. 88270 as amended by Ord. 98817 § 4; April 17, 1970).

11.08.190 Sale or transfer of business. Upon the sale or transfer during any quarterly period of a business on account of which a license fee or tax is hereby required, the purchaser or transferee shall, if the fee or tax has not been paid in full for said quarterly period, be responsible for the payment of the fee or tax for that portion of the quarterly period during which he carries on such business. (Ord. 72630 § 18 as amended by Ord. 88270 and Ord. 98817 § 5; April 17, 1970).

11.08.200 Applications and returns confidential. The applications and returns made to the comptroller pursuant to this chapter shall not be made

public, nor shall they be subject to the inspection of any person except the mayor, corporation counsel, city comptroller or his authorized agent, chief of police or his authorized agent, and members of the city council; and it is unlawful for any person to make public or to inform any other person as to the contents or any information contained in or to permit inspection of any application or return except as in this section authorized. (Ord. 72630 § 19 as amended by Ord. 102362 § 1; July 16, 1973).

11.08.210 Over or under payment of tax. In the event of overpayment of any tax due under this chapter, the city comptroller or his authorized agent upon written application by the taxpayer for a refund or credit within two years after the date of such overpayment, may offset the amount of such overpayment against the taxpayers existing tax liability under this chapter and shall refund any balance to such taxpayer or credit such balance to taxes which may accrue under this chapter. Refund of overpayments as authorized herein shall be approved by the city comptroller or his authorized agent and paid from contingent fund "C," created by Ordinance 70792 codified in Chapter 10.02. No refund or credit may be allowed with respect to any payments made to the city more than two years before the date of such application; provided, that where a taxpayer makes application for a refund or credit of an overpayment made more than two years before the date of such application, the amount of the refund or credit otherwise allowable for the portion of the assessment period preceding the two year period may be offset against any existing tax deficiency which accrued under this chapter within such assessment period.

Notwithstanding the foregoing limitations there shall be refunded or credited to taxpayers engaged in the performance of United States government contracts or subcontracts the amount of any tax paid, measured by that portion of the amounts received from the United States, which taxpayer is required by contract or applicable federal statute to refund or credit to the United States, if claim for such refund is filed by the taxpayer with the city comptroller within one year of the date that the amount of the refund or credit due to the United States is finally determined and filed within four years of the date on which tax was paid.

If the comptroller finds that the fee or tax or penalty paid is less than the amount due the comptroller shall mail the taxpayer a statement showing the balance due and shall add thereto interest on such balance at the rate of six percent per year from the date of underpayment until paid and the taxpayer shall within three days from the date of mailing statement pay the amount shown thereon as the balance due plus such interest. No demand for an additional fee or tax or penalty shall be made by the comptroller more than four years after the close of the year in which the same accrued, except:

(1) Against a taxpayer who is not registered as required by this chapter;

11.08.220—11.08.240 TAXATION

(2) As against a taxpayer who has been guilty of fraud or misrepresentation of a material fact; or

(3) Where a taxpayer has executed a written waiver of such limitations. (Ord. 72630 § 20 as amended by Ord. 81150 and Ord. 94209 § 1; September 29, 1965).

11.08.220 Failure to make return. If any taxpayer fails, neglects or refuses to make his return as and when required herein, the comptroller is authorized to determine the amount of the tax payable, and by mail to notify such taxpayer of the amount so determined. The amount so fixed shall thereupon become the tax and be immediately due and payable. (Ord. 72630 § 21; June 4, 1943).

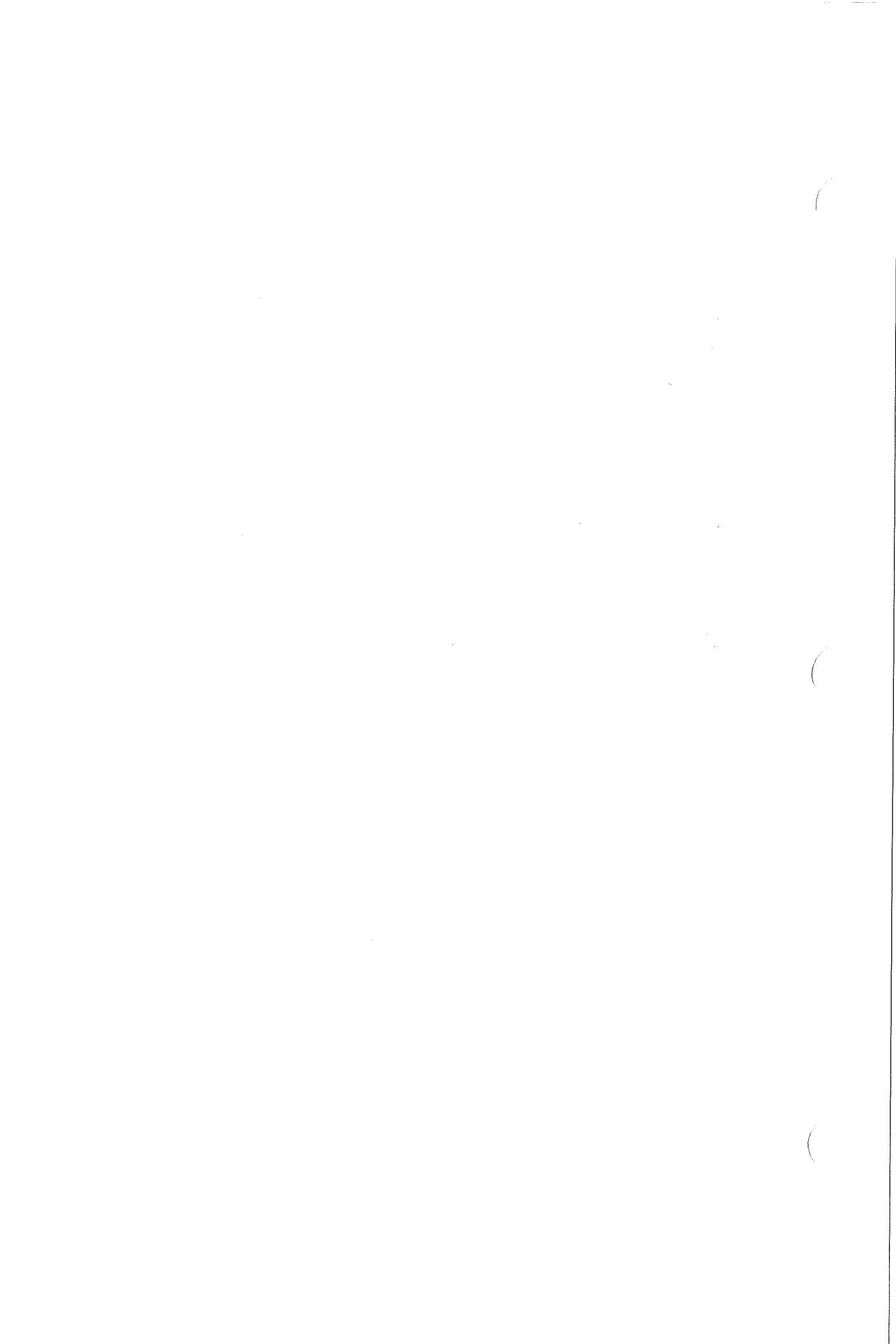
11.08.230 Appeals. Any taxpayer aggrieved by the amount of the fee or tax found by the comptroller to be required under the provisions of this chapter, may appeal to the city council from such finding by filing a written notice of appeal with the city clerk within twenty days from the time such taxpayer was given notice of such amount. The president of the city council shall assign any such appeal to a council committee for hearing, and the chairman of such committee shall, as soon as practicable, fix a time and place for the hearing of such appeal, which time shall be not more than sixty days after the filing of the notice of appeal, and he shall cause a notice of the time and place thereof to be mailed to the appellant. At such hearing the taxpayer shall be entitled to be heard and to introduce evidence in his own behalf. The city council shall thereupon ascertain the correct amount of the fee or tax by resolution and the city clerk shall immediately notify the appellant thereof by mail, which amount, together with costs of the appeal, if appellant is unsuccessful therein must be paid within three days after such notice is given.

The president of the city council, or the chairman of any committee thereof before which the appeal is to be heard, may, by subpoena, require the attendance thereat of any person, and may also require him to produce any pertinent books and records. Any person served with such subpoena shall appear at the time and place therein stated and produce the books and records required, if any, and shall testify truthfully under oath administered by the chairman in charge of the hearing on appeal as to any matter required of him pertinent to the appeal, and it is unlawful for him to fail or refuse so to do. (Ord. 72630 § 22 as amended by Ord. 85918; February 25, 1957).

11.08.240 Rules and regulations. The comptroller shall have the power and it shall be his duty, from time to time, to adopt, publish and enforce rules and regulations not inconsistent with this chapter or with law for the purpose of carrying out the provisions hereof, and it is unlawful to violate or fail to comply with, any such rule or regulation. (Ord. 72630 § 23; June 4, 1943).

11.08.250 Mailing notices. Any notice required by this chapter to be mailed to any taxpayer shall be sent by ordinary mail, addressed to the address of the taxpayer as shown by the records of the Comptroller, or if no such address is shown, to such address as the Comptroller is able to ascertain by reasonable effort. Failure of the taxpayer to receive any such mailed notice shall not release the taxpayer from any tax or any penalties thereon, nor shall such failure operate to extend any time limit set by the provisions of this chapter. (Ord. 72630 § 24; June 4, 1943.)

11.08.260 False or fraudulent returns—Hindering enforcement. It shall be unlawful for any person liable to tax hereunder to fail, or refuse to secure the license, to make the returns as and when required, or to pay the fee or tax when due, or for any person to make any false or fraudulent application or return or any false statement or representation in, or in connection with, any such application or return, or to aid or abet another in any attempt to evade payment of the fee or tax, or any part thereof, or for any person to fail to appear and/or testify in response to subpoena issued pursuant hereto, or to testify falsely upon any investigation of the correctness of a return, or upon the hearing of any appeal, or in any manner to hinder or delay the City or any of its officers in carrying out the provisions of this chapter. (Ord. 72630 § 25; June 4, 1943.)



11.08.270 License fee and tax additional to others. The license fee and tax herein levied shall be additional to any license fee or tax imposed or levied under any law or any other ordinance of the city of Seattle except as herein otherwise expressly provided. (Ord. 72630 § 26; June 4, 1943).

11.08.280 Collection of delinquent tax. Any license fee or tax due and unpaid and delinquent under this chapter, and all penalties thereon may be collected by civil action, which remedy shall be in addition to any and all other existing remedies. (Ord. 72630 § 27 as amended by Ord. 81150; July 9, 1952).

11.08.290 Application to city's business activities. Whenever the city of Seattle through any department or division engages in any business activity which if engaged in by any person would under this chapter require a business license and the payment of a license fee or tax by such person, the city department or division engaging in such business activity shall as to such business activity at the same time and in the same manner as persons are required hereunder make returns and from the funds of such department or division pay the license fees or taxes imposed hereunder; provided, that this section shall not apply to the public transportation system of such city. (Ord. 72630 §28 as amended by Ord. 86164; May 21, 1957).

11.08.300 Revocation of license. The comptroller may revoke the license issued to any taxpayer who is in default in any payment of any license fee or tax hereunder, or who fails to comply with any of the provisions of this chapter. Notice of such revocation shall be mailed to the taxpayer by the comptroller, and on and after the date thereof any such taxpayer who continues to engage in business shall be deemed to be operating without a license and shall be subject to any or all penalties herein provided. (Ord. 72630 § 29; June 4, 1943).

11.08.310 Penalty for violations. Any person violating or failing to comply with any of the provisions of this chapter or any lawful rule or regulation adopted by the comptroller pursuant thereto, upon conviction thereof, shall be punished by a fine in any sum not to exceed three hundred dollars, or by imprisonment in the city jail for a term not exceeding ninety days, or by both such fine and imprisonment.

Any taxpayer who engages in, or carries on, any business subject to a tax hereunder without having his "business license" so to do shall be guilty of a violation of this chapter for each day during which the business is so engaged in, or carried on; and any taxpayer who fails or refuses to pay the license fee or tax, or any part thereof, on or before the due date, shall be deemed to be operating without having his license so to do. (Ord. 72630 § 30; June 4, 1943).

11.08.320 Severability. If any provision or section of this chapter shall be held void or unconstitutional, all other parts, provisions and sections of this chapter not expressly so held to be void or unconstitutional shall continue in full force and effect. (Ord. 72630 § 31; June 4, 1943).

Chapter 11.12
UTILITIES BUSINESS TAX

Sections:

- 11.12.010 Exercise of power to license for revenue.
- 11.12.020 Definitions.
- 11.12.030 Occupation license required.
- 11.12.040 License tax year.
- 11.12.050 Occupation subject to tax—Amount.
- 11.12.060 City of Seattle subject to tax.
- 11.12.080 Exemptions and deductions.
- 11.12.090 Application for license.
- 11.12.100 Monthly and quarterly payment of tax—Returns.
- 11.12.110 Commencement of business during tax year.
- 11.12.130 Sale or transfer of business.
- 11.12.140 Books and records to be kept—Returns confidential.
- 11.12.150 Investigation of returns.
- 11.12.160 Over or underpayment of tax.
- 11.12.170 Remedy for nonpayment of tax.
- 11.12.180 Appeals.
- 11.12.190 Rules and regulations.
- 11.12.200 License to be posted—Unlawful use of license.
- 11.12.210 False or fraudulent application or return—Hindering enforcement.
- 11.12.220 Severability.
- 11.12.230 Penalty for violations.

11.12.010 Exercise of power to license for revenue. The provisions of this chapter shall be deemed an exercise of the power of the city of Seattle to license for revenue. (Ord. 62662 § 1; May 25, 1932).

11.12.020 Definitions. In construing the provisions of this chapter, save when otherwise plainly declared or clearly apparent from the context, the following definitions shall be applied:

“Gross income” means the value proceeding or accruing from the sale of tangible property or service, and receipts, (including all sums earned or charged, whether received or not) by reason of the investment of capital

in the business engaged in, including rentals, royalties, fees or other emoluments, however designated (excluding receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages, or other evidences of indebtedness, or stocks and the like) and without any deduction on account of the cost of the property sold, the cost of materials used, labor costs, interest or discount paid, or any expense whatsoever, and without any deduction on account of losses.

“Person” or “persons” means persons of either sex, firms, copartnerships, corporations and other associations of natural persons, whether acting by themselves or by servants, agents or employees.

“Taxpayer” means any person liable to the license fee or tax imposed by this chapter.

“Tax year” or “taxable year” means the year commencing March 1st and ending on the last day of February of the following year, or, in lieu thereof, the taxpayer’s fiscal year when permission is obtained from the city comptroller to use the same as the tax period. (Ord. 62662 § 2; May 25, 1932).

11.12.030 Occupation license required. No person shall engage in or carry on any business, occupation, pursuit or privilege for which a license fee or tax is imposed by this chapter without having first obtained, and being the holder of, a valid and subsisting license so to do, to be known as an “occupation license.”

Any person engaging in, or carrying on, more than one such business, occupation, pursuit or privilege shall pay the license tax so imposed upon each of the same.

Any taxpayer who engages in, or carries on, any business subject to tax hereunder without having his occupation license so to do, shall be guilty of a violation of this chapter for each day during which the business is so engaged in or carried on, and any taxpayer who fails or refuses to pay the license fee or tax or any part thereof on or before the due date shall be deemed to be operating without having his license so to do. (Ord. 62662 § 3; May 25, 1932).

11.12.040 License tax year. All “occupation licenses” and the fee or tax therefor shall be for the tax year for which issued and shall expire at the end of the tax year. (Ord. 62662 § 4 as amended by Ord 98423 § 1; Dec. 3, 1969).

11.12.050 Occupations subject to tax—Amount. There are hereby levied upon, and shall be collected from everyone including the city of Seattle on account of certain business activities engaged in or carried on, annual license fees or occupation taxes in the amounts to be determined by the application of rates given against gross income as follows:

11.12.050 TAXATION

(a) Upon everyone engaged in carrying on a telegraph business, a fee or tax equal to seven percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than fifty dollars per tax year;

(b) Upon everyone engaged in or carrying on a telephone business, a fee or tax equal to eight percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than fifty dollars per tax year; provided, further, that in computing such total gross income there shall be excluded therefrom eighty percent of all revenues from intrastate toll messages originating in the city, in accordance with previous practice;

(c) Upon everyone engaged in or carrying on the business of selling or furnishing gas for hire, a fee or tax equal to seven percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than one thousand dollars per tax year;

(d) Upon everyone, including the city of Seattle, engaged in or carrying on the business of selling or furnishing water for hire, a fee or tax equal to seven percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than one thousand dollars per tax year.

Provided that as to the city of Seattle in the conduct of its municipal water utility, such tax shall be applicable to the business of such utility done without, as well as within, the city; and there shall be levied upon and collected therefrom, in addition, an occupation surtax in the gross amount of five hundred forty thousand dollars per year, and without tax thereon, payable in monthly installments or otherwise as determined by the superintendent of water;

(e) Upon everyone, including the city of Seattle, engaged in or carrying on the business of selling or furnishing electric light and power, a fee or tax equal to eight percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than two hundred fifty dollars per tax year;

(f) Upon everyone conducting or engaged in the business of supplying steam heat or power to the public for hire, a fee or tax equal to seven percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than ten dollars per tax year;

(g) Upon everyone engaged in the business of operating or conducting a fire alarm system, district telegraph or burglary and police alarm system for hire, a fee or tax equal to seven percent of the total gross income from such business in the city; provided, that the minimum fee or tax shall not be less than one hundred dollars per tax year;

(h) Upon the city of Seattle in respect to the conduct, maintenance and operation of its municipal sewerage system as a public utility under ordinance of said city, a fee or tax equal to seven percent of the total

gross income from the sewerage charges provided for and collected by the city under such ordinance;

(i) Upon the city of Seattle in respect to the conduct, maintenance and operation of its system for collection and disposal of garbage, rubbish and trade and other waste as a public utility under ordinance of the city, a fee or tax equal to seven percent of the total gross income from the collection and disposal charges provided for and collected by the city under such ordinance. (Ord. 62662 § 5 as amended by Ord. 85885, Ord 87623, Ord. 90511, Ord. 94116, Ord. 97288 and Ord. 98423 § 2; Dec. 3, 1969).

11.12.060 City of Seattle subject to tax. Subdivisions (d), (e), (h) and (i) of Section 11.12.050 shall, so far as permitted by law, be applicable to the city of Seattle, except that the city shall not, as a taxpayer, be required to conform to the other provisions of this chapter. The tax imposed upon the municipal light and power system of the city shall be applicable to the businesses of such system both within and without the city; provided, that as to the gross income derived by such system from the production, sale or transfer of electric energy for resale or consumption outside the state said tax shall be in an amount equal to five percent of said gross income. (Ord. 62662 § 6 as amended by Ord. 84414 and Ord. 99524 § 1; December 17, 1970).

11.12.080 Exceptions and deductions. There shall be excepted and deducted from the total gross income upon which the license fee or tax is computed, so much thereof as is derived from business which the city of Seattle is prohibited from taxing under the constitution or laws of the United States, the constitution or laws of the state of Washington, or the Charter of the city of Seattle, and any amount paid by the taxpayer to the United States, the state of Washington, or the city of Seattle as excise taxes levied or imposed upon the sale or distribution of property or services.

Any person subject to a license fee or tax under the provisions of any ordinance of the city, other than this chapter or Chapter 11.16, on account of engaging in any activity for which he is liable for tax hereunder, may deduct the amount of such fee or tax from the amount of fee or tax imposed by this chapter on account of such activity, but such person shall nevertheless, in the manner herein provided for, apply for and procure an "occupation license." (Ord. 62662 § 9 as amended by Ord. 71570 and Ord. 100327 § 1; October 6, 1971).

11.12.090 Application for license. On or before the first day of each tax year, every taxpayer shall apply to the city comptroller for an "occupation license" upon forms provided by him. Every such application shall be accompanied by the specified minimum fee or tax, which amount shall be credited against future installment; provided Section 11.12.070 occupa-

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tion license application shall be accompanied by the specified annual fee or quarterly installment thereof. (Ord. 62662 § 10 as amended by Ord. 98423 § 3; Dec. 3, 1969).

11.12.100 Monthly and quarterly payment of tax—Returns. Where the amount of the license fee or tax is based upon gross income, the taxpayer shall pay his fee or tax in monthly installments during the life of his license, each such installment to be paid on or before the fifteenth day of each month during the tax year and to be based on the total gross income of the preceding month. In all other cases the taxpayer may pay his fee or tax in equal installments during the life of his license, each such installment to be paid on or before the first day of March, the first day of June, the first day of September and the first day of December respectively.

Each such remittance shall be by bank draft, certified check, cashier's check or money order, payable to the city treasurer or in cash, in the amount of the tax or fee or installment thereof required by the provisions hereof, and shall be accompanied by a return on blanks or forms prepared and provided by the city comptroller requesting such information as may be necessary to enable said comptroller to determine the lawful amount of the fee or tax. The taxpayer shall, in a legible manner, write in such blank or form of return the information required and shall sign the same and by affidavit at the foot thereof shall swear or affirm that the information given is full and true and that he knows the same to be so.

If the taxpayer is a partnership, the return must be made by one of the partners; if a corporation, by one of the officers thereof; if a foreign corporation, copartnership or nonresident individual, by the resident agent or local manager of said corporation, copartnership or individual. (Ord. 62662 § 11 as amended by Ord. 98423 § 4; Dec. 3, 1969).

11.12.110 Commencement of business during tax year. Whenever a taxpayer commences during any tax year to engage in any business, occu-

pation, pursuit or privilege, for which an "occupation license" is required under the provisions of this chapter, and as to which the amount of the license fee or tax is based on gross income, his returns and the license fee or tax shall be based upon and cover the portion of the tax year during which he is engaged in business.

In all other cases where a person commences during any tax year to engage in any business, occupation, pursuit or privilege, for which an "occupation license" is required under the provisions of this chapter, he shall be entitled to a license for the remainder of such tax year for the required fee apportioned in the ratio of said remainder to a full tax year. (Ord. 62662 § 12 as amended by Ord. 98423 § 5; Dec. 3, 1969).

11.12.130 Sale or transfer of business. Upon the sale or transfer during any tax year of a business on account of which a fee or tax is hereby required, the purchaser or transferee shall, if the fee or tax has not been paid in full for said year, be responsible for its payment for that portion of said year during which he carries on such business. (Ord. 62662 § 14; May 25, 1932).

11.12.140 Books and records to be kept—Returns confidential. It shall be the duty of each taxpayer taxed upon his gross income to keep and enter in a proper book or set of books or records an account which shall accurately reflect the amount of his gross income, which account shall always be open to the inspection of the city comptroller, or his duly authorized agent, and from which said officer or his agent may verify the return made by the taxpayer.

The applications, statements or returns made to the city comptroller, pursuant to this chapter, shall not be made public, nor shall they be subject to the inspection of any person except the mayor, the corporation counsel, the city comptroller, or his authorized agent, and members of the city council. (Ord. 62662 § 15; May 25, 1932).

11.12.150 Investigation of returns. If any taxpayer fails to apply for license or make his return, or if the city comptroller is dissatisfied as to the correctness of the statements made in the application or return of any taxpayer, said officer, or his authorized agent, may enter the premises of such taxpayer at any reasonable time for the purpose of inspecting his books or records of account to ascertain the amount of the fee or tax or to determine the correctness of such statements, as the case may be, and may examine any person under oath administered by said officer, or his agent, touching the matters inquired into, or said officer, or his authorized agent, may fix a time and place for an investigation of the correctness of the return and may issue a subpoena to the taxpayer, or any other person, to attend upon such investigation and there testify, under oath adminis-

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tered by said officer, or his agent, in regard to the matters inquired into and may, by subpoena, require him, or any person, to bring with him such books, records and papers as may be necessary. (Ord. 62662 § 16; May 25, 1932).

11.12.160 Over or underpayment of tax. If the city comptroller upon investigation or upon checking returns finds that the fee or tax paid on any of them is more than the amount required of the taxpayer, he shall refund the amount overpaid by a warrant upon the general fund. If the city comptroller finds that the fee or tax is less than required, he shall send a statement to the taxpayer showing the balance due, who shall within three days pay the amount thereon. (Ord. 62662 § 16; May 25, 1932).

11.12.170 Remedy for nonpayment of tax. If any taxpayer fails to apply for a license, or make his returns, or to pay the fee or tax therefor, or any part thereof, within fifteen days after the same shall have become due, the city comptroller shall ascertain the amount of the fee or tax or installment thereof due and shall notify such taxpayer thereof, who shall be liable therefor in any suit or action by the city for the collection thereof.

The city comptroller shall also notify the corporation counsel in writing of the name of such delinquent taxpayer and the amount due from him and said officer shall, with the assistance of the city comptroller, collect the same by any appropriate means or by suit or action in the name of the city. (Ord. 62662 § 18 as amended by Ord. 98423 § 6; Dec. 3, 1969).

11.12.180 Appeals. Any taxpayer aggrieved by the amount of the fee or tax found by the city comptroller to be required under the provisions of this chapter, may appeal to the city council from such finding by filing a written notice of appeal with the city clerk within five days from the time such taxpayer was given notice of such amount. The clerk shall, as soon as practicable, fix a time and place for the hearing of such appeal, which time shall be not more than ten days after the filing of the notice of appeal, and he shall cause a notice of the time and place thereof to be delivered or mailed to the appellant. At such hearing, the taxpayer shall be entitled to be heard and to introduce evidence in his own behalf. The city council shall thereupon ascertain the correct amount of the fee or tax by resolution and the city clerk shall immediately notify the appellant thereof, which amount, together with costs of the appeal, if appellant is unsuccessful therein, must be paid within three days after such notice is given.

The president of the city council, or the chairman of any committee thereof before which the appeal is to be heard, may, by subpoena, require the attendance thereat of any persons, and may also require him to produce any pertinent books and records. Any person served with such sub-

poena shall appear at the time and place therein stated and produce the books and records required, if any, and shall testify truthfully under oath administered by the chairman in charge of the hearing on appeal as to any matter required of him pertinent to the appeal, and it is unlawful for him to fail or refuse so to do. (Ord. 62662 § 19; May 25, 1932).

11.12.190 Rules and regulations. The city comptroller shall have the power, and it shall be his duty, from time to time, to adopt, publish and enforce rules and regulations not inconsistent with this chapter or with law for the purpose of carrying out the provisions thereof, and it is unlawful to violate or fail to comply with, any such rule or regulation. (Ord. 62662 § 20; May 25, 1932).

11.12.200 License to be posted—Unlawful use of license. All licenses issued pursuant to the provisions of this chapter shall be kept posted by the licensee in a conspicuous place in his principal place of business in the city, except that all licenses for the operation of a vehicle shall be attached in a conspicuous place upon the right hand side of such vehicle in a suitable holder to be furnished by the city comptroller upon the payment of a fee of twenty-five cents.

No person to whom a license has been issued, pursuant to this chapter, shall suffer or allow any other person chargeable with a separate license to operate under or display his license, nor shall such other person operate under or display such license. (Ord. 62662 § 21; May 25, 1932).

11.12.210 False or fraudulent application or return—Hindering enforcement. It is unlawful for any person liable to tax hereunder to fail or refuse to make application or return for a license or to pay the fee or tax or installment thereof when due, or for any person to make any false or fraudulent application or return or any false statement or representation in, or in connection with, any such application or return, or to aid or abet another in any attempt to evade payment of the fee or tax, or any part thereof, or for any person to fail to appear and/or testify in response to subpoena issued pursuant hereto, or to testify falsely upon any investigation of the correctness of a return, or upon the hearing of any appeal, or in any manner to hinder or delay the city or any of its officers in carrying out the provisions of this chapter. (Ord. 62662 § 22; May 25, 1932).

11.12.220 Severability. If any provision or section of this chapter is void or unconstitutional, all other parts, provisions and sections of this chapter not expressly so held to be void or unconstitutional shall continue in full force and effect. (Ord. 62662 § 23; May 25, 1932).

11.12.230 Penalty for violations. Any person violating or failing to comply with any of the provisions of this chapter or any lawful rule or

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regulation adopted by the city comptroller pursuant thereto, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine in any sum not to exceed three hundred dollars, or by imprisonment in the city jail for a term not exceeding ninety days, or by both such fine and imprisonment. (Ord. 62662 § 24; May 25, 1932).

Chapter 11.20

SALES AND USE TAX

Sections:

- 11.20.010 Imposed.
- 11.20.020 Rate.
- 11.20.030 Administration and collection.
- 11.20.040 Record inspection.
- 11.20.050 Violation—Penalty.
- 11.20.060 Ratification of contract.

11.20.010 Imposed. As of April 1, 1970, pursuant to the authority of RCW 82.14, there is imposed a sales and use tax, upon every taxable event, as defined in RCW 82.14.020, occurring within the city of Seattle, which tax shall be collected from those persons from whom the state sales or use tax is collected pursuant to RCW 82.08 and 82.12. (Ord. 98708 § 1; March 17, 1970).

11.20.020 Rate. The rate of the tax imposed by this chapter shall be five-tenths of one percent of the selling price or value of the article used, as the case may be; provided, however, that during such period as there is in effect a sales and use tax imposed by King County pursuant to and in accordance with RCW 82.14.020, the rate of the tax imposed by this chapter shall be four hundred twenty-five one-thousandths of one percent. (Ord. 98708 § 2; March 17, 1970).

11.20.030 Administration and collection. The administration and collection of the tax imposed by this chapter shall be in accordance with the provisions of RCW 82.14.050, and for such purpose the mayor is hereby authorized for and on behalf of the city to execute a contract substantially in the form of Exhibit "A" on file in the office of the city clerk with the Washington State Department of Revenue. (Ord. 98708 § 3; March 17, 1970).

11.20.040 Record inspection. In furtherance of the administration and collection of the tax imposed by this chapter, and as contemplated by RCW 82.32.330, proper officers of the state of Washington for official purposes may inspect such records of the city as may be necessary upon consent by the State Department of Revenue to inspection of similar state records by proper officers of the city. (Ord. 98708 § 4; March 17, 1970).

11.20.050 Violation—Penalty. It is unlawful for any person within the city, from whom the state sales or use tax is collected pursuant to RCW 82.08 and 82.12 to fail to collect, report and remit the tax imposed by this chapter, and any person failing so to do, shall upon conviction thereof be punishable by a fine of not more than five hundred dollars or imprisonment for a period of not more than six months, or by both such fine and imprisonment. (Ord. 98708 § 5; March 17, 1970).

11.20.060 Ratification of the contract. Execution of the contract on file in the office of the city clerk and herein authorized and any act pursuant to the authority and prior to the effective date of this chapter is hereby ratified and confirmed. (Ord. 98708 § 6; March 17, 1970).

Chapter 11.24

MOTOR VEHICLE EXCISE TAX

Sections:

- 11.24.010 Tax levied.
- 11.24.020 Exempt vehicles.
- 11.24.030 Schedule and basis for tax.
- 11.24.040 Due and payable when.
- 11.24.050 Certification.

11.24.010 Tax levied. As of July 1, 1971, pursuant to the authority of RCW 35.58.273, there is levied a special excise tax in the annual amount of one percent on the fair market value of every motor vehicle as defined in RCW 35.58.272 owned by a resident of the city for the privilege of using such motor vehicle, provided that in no event shall the tax be less than one dollar and, subject to the provisions of subsection (2) of RCW 82.44.150, the amount of such tax shall be credited against the amount of the excise tax levied by the state under RCW 82.44.020. (Ord. 99935 § 1; May 19, 1971).

11.24.020 Exempt vehicles. Any vehicle for which an excise tax is payable under RCW 82.44.030 and RCW 82.44.070 shall be exempt from the tax imposed by this chapter. (Ord. 99935 § 2; May 19, 1971).

11.24.030 Schedule and basis for tax. The schedule and basis for the excise tax imposed by this chapter shall be as provided in RCW 82.44.040 and RCW 82.44.050, and penalties, receipts, abatements, refunds and all other similar matters relating to the tax shall be as provided in RCW 82.44. (Ord. 99935 § 3; May 19, 1971).

11.24.040 Due and payable when. The excise tax imposed by this chapter shall be due and payable as set forth in RCW 82.44.060 and shall be collected and paid to the city as provided in RCW 35.58.276 through 35.58.279 inclusive. (Ord. 99935 § 4; May 19, 1971).

11.24.050 Certification. The comptroller, as city clerk of the city of Seattle, is authorized and directed to certify forthwith a copy of the ordinance codified herein to the county auditor of King County. (Ord. 99935 § 5; May 19, 1971).