

**Ordinance No. 102719**

AN ORDINANCE amending Sections 1, 2, 8 and 10 of Ordinance 72495, as amended, to exclude persons paying admission charges to attend certain activities of certain non-profit tax-exempt organizations from payment of City admission taxes.

C.F. 276512

(ENGROSSED BILL)

**Council Bill No. 94378**

INTRODUCED: 10/1/73	BY: CHAPMAN
REFERRED: 10/1/73	TO: Parks & Public Grounds Finance
REFERRED:	
REPORTED: NOV 5 1973	SECOND READING: NOV 5 1973
THIRD READING: NOV 5 1973	SIGNED: NOV 5 1973
PRESENTED TO MAYOR: NOV 5 1973	APPROVED: NOV 12 1973
RETD. TO CITY CLERK NOV 12 1973	PUBLISHED: NOV 14 1973
VETOED BY MAYOR:	VETO PUBLISHED:
PASSED OVER VETO:	VETO SUSTAINED:
ENGROSSED:	BY:
VOL..... PAGE.....	

SEE BACK COVER

Ord 103220 -AMENDS SEC 5 TO EXCLUDE FROM THE IMPOSITION OR COLLECTION OF ADMISSION TAXES PERSONS  
PAYING ADMISSION CHARGES TO CERTAIN ACTIVITIES & EVENTS OCCURRING ON OR AFTER THE  
EFFECTIVE DATE OF SAID ORDINANCE.

*B.P.Co.*  
*EK*  
*License*  
*7/20/05*

JOB  
BLDG. (BO)  
ENG.  
B. O. X  
A. G.  
S. E.  
C. O.  
LIGHT

JGB:SG  
10-9-73

ORDINANCE 102719

AN ORDINANCE amending Sections 1, 2, 8 and 10 of Ordinance 72495, as amended, to exclude persons paying admission charges to attend certain activities of certain non-profit tax-exempt organizations from payment of City admission taxes.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 1 of Ordinance 72495, as amended by Ordinance 91775, is further amended to read as follows:

Section 1. Definitions. For the purposes of this ordinance, 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.

"College" or "university" means any accredited public or private college, junior college or university, or the recognized student body association thereof insofar as the admission charges received by the college, university, or student body association are budgeted, and applied solely for exhibition, performance, study and/or teaching of the performing arts, visual arts, history, or science. It specifically excludes any athletic department or division or activities of the college or university or of the recognized student body association thereof.

"Non-profit Tax-exempt Organization" means an organization, corporation, or association organized and operated for the advancement, appreciation, public exhibition or performance, preservation, study and/or teaching of the performing arts (music, drama including puppetry, opera or dance), visual arts, historic vessels, history, or science, which is currently recognized by the United States of America as exempt from federal income taxation pursuant to Section 501(c)(1) or (3) of the Internal Revenue Code of 1954, 26 U.S.C. § 501, as now existing or hereafter amended, and a division, department or instrumentality of state or local government devoted to the arts, history or science.

"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.

Section 2. Section 2 of Ordinance 72495, as amended by Ordinances 91775 and 98403, Section 1, is further amended to read as follows:

Section 2(a). There is hereby levied and imposed a tax upon everyone without regard to age, who pays an admission charge as defined in Section 1; Provided, that such tax shall not apply

to anyone paying an admission charge of ten cents or less or to any activity of any elementary or secondary school as contemplated by Section 35.21.280, Chapter 7, Laws of 1965 or to an opera, concert, dance recital or like musical entertainment, a play, puppet show or dramatic reading, an exhibition of painting, sculpture, or artistic or historical objects, or to a museum, historic vessel, or science center, when a college or university or non-profit tax-exempt organization, as defined in Section 1 and registered under Section 8, publicly sponsors and performs such activity, and receives the use and benefit of admission charges collected; provided, further, the foregoing exclusion from taxation shall not apply when a guest artist or other person supplies the major portion of the materials on exhibition or of the performance of such activity of the non-profit tax-exempt organization.

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 7 by the person selling such tickets.

Section 3. Section 8 of Ordinance 72495, as amended by Ordinance 102622, is hereby amended to read as follows:

Section 8. 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 Director of Licenses and Consumer Affairs, make application to the Director of Licenses and Consumer Affairs for issuance by the Comptroller of 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.

Whenever the persons paying an admission charge in excess of ten cents are not to be taxed and are not attending an activity of an elementary or secondary school, the person putting on such activity, or set of activities, and in the absence of registration by such person the person conducting or operating the place at which such activity occurs, shall on the application for Certificate of Registration or other form prescribed by the Director of Licenses and Consumer Affairs:

- a) Identify the activity or set of activities at which persons paying an admission charge are not to be taxed;
- b) Supply sufficient information as will enable the Director of Licenses and Consumer Affairs both to determine the applicability of the tax to the activity or set of activities so identified and to distinguish the same from other occasions, if any, of the applicant when taxes are to be collected; and
- c) Provide evidence as necessary to show the status of the party performing the activity or set of activities as a non-profit tax-exempt organization as defined in Section 1.

The form may require the applicant to notify the Director of Licenses and Consumer Affairs of any subsequent change in condition from the facts stated or information supplied. If the Director of Licenses and Consumer Affairs determines that persons paying such admission charge are not subject to the admission tax, the applicant shall receive a certification of such determination upon the Certificate of Registration or upon such other documents the Director of Licenses and Consumer Affairs may determine which shall be posted with the Certificate of Registration.

Section 4. Section 10 of Ordinance 72495, as amended by Ordinance 102622, is hereby amended to read as follows:

Section 10. RULES AND REGULATIONS. The Director of Licenses and Consumer Affairs shall have the 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 for administering the exclusion from taxation upon persons paying an admission charge to activities enumerated in Section 2(a) involving the arts, history, or science performed by a college or university or non-profit tax-exempt organization; 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 ordinance.

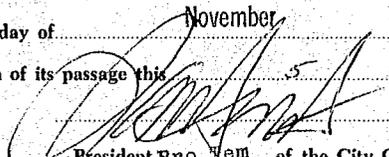
*Amended  
Ord 103220*

Section 5. This amendment shall not affect tax imposed or collected or relieve tax liability incurred prior to the effective date of this ordinance.

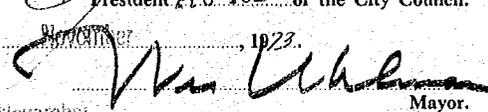
(To be used for all Ordinances except Emergency.)

Section 6. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 5 day of November, 1973,  
and signed by me in open session in authentication of its passage this 5 day of  
November, 1973.

  
President Pro Tem of the City Council.

Approved by me this 12 day of November, 1973.

  
Mayor.

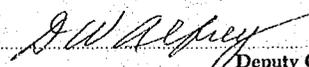
Filed by me this 12 day of November, 1973.

Attest:   
City Comptroller and City Clerk.

(SEAL)

NOV 14 1973

Published .....

By   
Deputy Clerk.

# The City of Seattle--Legislative Department

MR. PRESIDENT:

Date Reported  
and Adopted

Your Committee on **PARKS & PUBLIC GROUNDS and FINANCE**

**NOV 5 1973**

to which was referred **C.B. 94378,**

amending Sections 1, 2, 8 and 10 of Ordinance 72495, as amended, to exclude persons paying admission charges to attend certain activities of certain non-profit tax-exempt organizations from payment of City admission taxes.

RECOMMEND THAT ENGROSSED COUNCIL BILL 94378 BE SUBSTITUTED FOR ORIGINAL COUNCIL BILL 94378 AND THAT WHEN SO SUBSTITUTED THAT THE SAME DO PASS.

*David H. Chapman*  
P&PG  
Chairman

*George E. Cooley*  
Fin.  
Chairman

JD:rp

11/1/73

Committee

Committee

ORDINANCE 102710

AN ORDINANCE amending Sections 1, 2 and 10 of Ordinance 72495, as amended, to exclude persons paying admission charges to attend certain activities of certain non-profit tax-exempt organizations from payment of City admission taxes.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 1 of Ordinance 72495, as amended by Ordinance 91775, is further amended to read as follows:

Section 1. Definitions. For the purposes of this ordinance, 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 at 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, rodeo show, swimming pool, outdoor amusement park or any similar place; and includes equipment to which persons are admitted for purposes of recreation such as: fly fishing, tennis, golf, wheelchair, 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.

"College" or "university" means any accredited public or private college, junior college or university, or the recognized student body association thereof insofar as the admission charges received by the college, university, or student body association are limited to which persons are admitted for purposes of recreation such as: fly fishing, tennis, golf, wheelchair, 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.

"NON-PROFIT TAX-EXEMPT ORGANIZATION" MEANS AN ORGANIZATION, CORPORATION, OR ASSOCIATION ORGANIZED AND OPERATED FOR THE ADVANCEMENT OF APPLIED ARTS, PUBLIC EXHIBITION OR PERFORMANCE, PRESERVATION, STUDY AND/OR TEACHING OF THE PERFORMING ARTS (MUSIC, DRAMA INCLUDING PUPPETRY, OPERA OR DANCE), VISUAL ARTS, HISTORIC VESSELS, HISTORY, OR SCIENCE, WHICH IS CURRENTLY RECOGNIZED BY THE UNITED STATES OF AMERICA AS EXEMPT FROM FEDERAL INCOME TAXATION PURSUANT TO SECTION 501(c)(1) OR (3) OF THE INTERNAL REVENUE CODE OF 1954, 26 U.S.C. § 501, as now existing or hereafter amended, and a division, department or instrumentality of state or local government devoted to the arts, history or science.

"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, internal, nonprofit or otherwise.

Section 2. Section 2 of Ordinance 72495, as amended by Ordinance 91775 and 84103, Section 1, is further amended to read as follows:

Section 2(a). There is hereby levied and imposed a tax upon everyone without regard to age, who pays an admission charge as defined in Section 1; Provided, that such tax shall not apply to anyone paying an admission charge of ten cents or less or to any activity of any elementary or secondary school as determined by Section 35.21.230, Chapter 7, Laws of 1965 or to AN OPERA, CONCERT, DANCE RECITAL OR LIVED MUSICAL ENTERTAINMENT, PLEAS, PUPPET SHOW OR DRAMATIC READING AN EXHIBITION OF PAINTING, SCULPTURE, OR ARTISTIC OR HISTORICAL OBJECTS OR TO A MUSEUM, HISTORIC VESSEL, OR SCIENCE CENTER WHEN A COLLEGE OR UNIVERSITY OR NON-PROFIT TAX-EXEMPT ORGANIZATION, AS DEFINED IN SECTION 1 AND REGISTERED UNDER SECTION 8, PUBLICLY SPONSORS AND PERFORMS SUCH ACTIVITY AND RECEIVES THE USE AND BENEFIT OF ADMISSION CHARGES COLLECTED. PROVIDED, FURTHER, THE FOREGOING EXCLUSION FROM TAXATION SHALL NOT APPLY WHEN A GUEST ARTIST OR OTHER PERSON SUPPLIES THE MAJOR PORTION OF THE MATERIALS OR EXHIBITION OR OF THE PERFORMANCE OF SUCH ACTIVITY OF THE NON-PROFIT TAX-EXEMPT ORGANIZATION.

The tax here imposed shall be in the amount of five per cent on each admission charge or charge for season or series tickets.

Affidavit of Publication

STATE OF WASHINGTON, KING COUNTY--SS.

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a.....

ORDINANCE NO 102719

was published on Nov. 14, 1973

*M. E. S. Journal*

Subscribed and sworn to before me on

Nov. 14, 1973

*John R. Peterson*  
Notary Pub. for the State of Washington, residing in Seattle.

Section 2. Section 2 of Ordinance 7240, as amended by Ordinance 7241 and 7242, Section 1, is further amended to read as follows:

Section 2(a). There is hereby levied and imposed a tax upon everyone without regard to age, who pays an admission charge, as defined in Section 1. Provided, that such tax shall not apply to anyone paying an admission charge of ten cents or less or to any activity of any elementary or secondary school as contemplated by Section 35.21.350, Chapter 7, Laws of 1985. The term "ADMISSION CHARGE" shall include, but not be limited to, the charge for admission to a CONCERT, CIRCUS, THEATRE, OPERA, CONCERT DANCE ENTERTAINMENT, A PLAY, PICTURE SHOW, OR DRAMATIC PERFORMANCE, A LECTURE, READING, AN EXHIBITION OF PAINTING, SCULPTURE, OR ARTISTIC OR HISTORICAL OBJECTS, OR TO A MUSEUM, HISTORIC SITE, OR SCIENCE CENTER, WHEN A COLLEGE, UNIVERSITY, OR NON-PROFIT TAX-EXEMPT ORGANIZATION AS DEFINED IN SECTION 1 AND RECORDED UNDER SECTION 5, PUBLIC SPOONS AND PERFORMING SUCH ACTIVITY AND RECEIVING THE PROCEEDS THEREOF. PROVIDED, FURTHER, THIS EXCLUSION FROM TAXATION SHALL NOT APPLY WHEN A PERSON, ARTIST OR OTHER PERSON SUPPLIER OF MATERIALS OR EXHIBITS OR OF THE PERFORMANCE OF SUCH ACTIVITY OF THE NON-PROFIT TAX-EXEMPT ORGANIZATION.

The tax here imposed shall be in the amount of five per cent 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 of seats 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 per cent of the price of such box or seat, the amount to be collected and remitted in the manner provided in Section 7, by the person selling such tickets.

Section 3. Section 3 of Ordinance 7245, as amended by Ordinance 10222, is hereby amended to read as follows:

Section 3. CERTIFICATE OF REGISTRATION. Any person conducting or operating a party place for entrance to which an admission charge is made shall, in a form prescribed by the Director of Licenses and Consumer Affairs, make application to the Commissioner 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 certificates 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 hotel or box office where tickets of admission are sold.

WHENEVER THIS PERSONS PAYING AN ADMISSION CHARGE IN EXCESS OF TEN CENTS ARE NOT TO BE TAXED AND ARE NOT ATTENDING AN ACTIVITY OF AN ELEMENTARY OR SECONDARY SCHOOL, THE PERSON PUTTING ON SUCH ACTIVITY OR SET OF ACTIVITIES AND IN THE ABSENCE OF REGISTRATION BY SUCH PERSON, THE PERSON CONDUCTING OR OPERATING THE PLACE AT WHICH SUCH ACTIVITY OCCURS SHALL ON THE APPLICATION FOR CERTIFICATE OF REGISTRATION OR OTHER FORM PRESCRIBED BY THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS:

a) IDENTIFY THE ACTIVITY OR SET OF ACTIVITIES AT WHICH PERSONS PAYING AN ADMISSION CHARGE ARE NOT TO BE TAXED;

b) SUPPLY SUFFICIENT INFORMATION AS WILL ENABLE THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS BOTH TO DETERMINE THE APPLICABILITY OF THE TAX TO THE ACTIVITY OR SET OF ACTIVITIES SO IDENTIFIED AND TO DISTINGUISH THE SAME FROM OTHER OCCASIONS, IF ANY, OF THE APPLICANT WHEN TAXES ARE TO BE COLLECTED; AND

c) PROVIDE EVIDENCE AS NECESSARY TO SHOW THE STATUS OF THE PARTY PERFORMING THE ACTIVITY OR SET OF ACTIVITIES AS A NON-PROFIT TAX-EXEMPT ORGANIZATION AS DEFINED IN SECTION 1.

THE FORM MAY REQUIRE THE APPLICANT TO NOTIFY THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS OF ANY SUBSEQUENT CHANGE IN CONDITION FROM THE FACTS STATED OR INFORMATION SUPPLIED. IF THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS DETERMINES THAT PERSONS PAYING SUCH ADMISSION CHARGE ARE NOT SUBJECT TO THE ADMISSION TAX, THE APPLICANT SHALL RECEIVE A CERTIFICATE OF REGISTRATION OR UPON SUCH OTHER DOCUMENT AS THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS MAY DETERMINE WHICH SHALL BE POSTED WITH THE CERTIFICATE OF REGISTRATION.

Section 4. Section 10 of Ordinance 7245, as amended by Ordinance 10222, is hereby amended to read as follows:

Section 10. RULES AND REGULATIONS. THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS shall have the 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 FOR ADMINISTERING THE EXCLUSION FROM TAXATION UPON PERSONS PAYING AN ADMISSION CHARGE TO ACTIVITIES ENUMERATED IN SECTION 2(a) IN-

Section 3, Ordinance 12422, as amended by Ordinance 12423, is hereby amended to read as follows:

**Section 4. CERTIFICATE OF REGISTRATION.** Any person conducting or causing to be placed for entrance on which an admission charge is made shall, on a form prescribed by the Director of Licenses and Consumer Affairs, make application to the Director of Licenses and Consumer Affairs for 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 copy thereof to be issued by the Director, without additional charge, shall be posted in a conspicuous place in each ticket or box office where tickets of admission are sold.

WHENEVER THE PERSONS PAYING AN ADMISSION CHARGE IN EXCESS OF TEN CENTS ARE NOT ATTENDING AN ACTIVITY OF AN ELEMENTARY OR SECONDARY SCHOOL, THE PERSON FILING ON SUCH ACTIVITY, OR SET OF ACTIVITIES AND IN THE ABSENCE OF REGISTRATION BY SUCH PERSON, THE PERSON CONDUCTING OR CAUSING THE PLACE AT WHICH SUCH ACTIVITY OCCURS, SHALL ON THE APPLICATION FOR CERTIFICATE OF REGISTRATION OR OTHER FORM PRESCRIBED BY THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS:

a) IDENTIFY THE ACTIVITY OR SET OF ACTIVITIES AT WHICH PERSONS PAYING AN ADMISSION CHARGE ARE NOT TO BE TAXED;

b) SUPPLY SUFFICIENT INFORMATION AS WILL ENABLE THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS BOTH TO DETERMINE THE APPLICABILITY OF THE TAX TO THE ACTIVITY OR SET OF ACTIVITIES SO IDENTIFIED AND TO DISTINGUISH THE SAME FROM OTHER OCCASIONS IN WHICH OF THE APPLICANT WHEN TAXES ARE TO BE COLLECTED; AND

c) PROVIDE EVIDENCE AS NECESSARY TO SHOW THE STATUS OF THE PARTY PERFORMING THE ACTIVITY OR SET OF ACTIVITIES AS A NON-PROFIT TAX-EXEMPT ORGANIZATION AS DEFINED IN SECTION 1.

THIS FORM MAY REQUIRE THE APPLICANT TO NOTIFY THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS OF ANY SUBSEQUENT CHANGE IN CONDITION FROM THE FACTS SET FORTH OR INFORMATION SUPPLIED. IF THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS DETERMINES THAT PERSONS PAYING SUCH ADMISSION CHARGE ARE NOT SUBJECT TO THE ADMISSION TAX, THE APPLICANT SHALL RECEIPT A CERTIFICATION OF THIS DETERMINATION UPON THE CERTIFICATE OF REGISTRATION OR UPON SUCH OTHER DOCUMENT AS THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS MAY DETERMINE WHICH SHALL BE POSTED WITH THE CERTIFICATE OF REGISTRATION.

Section 4, Section 10 of Ordinance 12416, as amended by Ordinance 12422, is hereby amended to read as follows:

**Section 10. RULES AND REGULATIONS.** THE DIRECTOR OF LICENSES AND CONSUMER AFFAIRS shall have the 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 FOR ADMINISTERING THE EXEMPTION FROM TAXATION UPON PERSONS PAYING AN ADMISSION CHARGE TO ACTIVITIES ENTAILING THE ARTS, HISTORY OR SCIENCE PERFORMED BY A COLLEGE OR UNIVERSITY OR NON-PROFIT TAX-EXEMPT ORGANIZATION; and a copy of said rules and regulations shall be on file and available for public examination in the Comptroller's office. Failure to comply with any such rules and regulations shall be deemed a violation of this ordinance.

Section 5. This amendment shall not affect tax imposed or collected or reduce tax liability incurred prior to the effective date of this ordinance.

Section 6. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 5th day of November, 1973, and signed by me in open session in authentication of its passage this 5th day of November, 1973.

SAM SMITH,  
President pro tem. of the City Council.

Approved by me this 12th day of November, 1973.

WES UHLMAN,  
Mayor.

Filed by me this 12th day of November, 1973.

Attest: C. G. FRIANDSON,  
City Comptroller and City Clerk.

(Seal) By D. W. ALFREY,  
Deputy Clerk.

Publication ordered by C. G. FRIANDSON, Comptroller and City Clerk.

Date of Official Publication in the Daily Journal of Commerce, Seattle, November 14, 1973. (C-275)

**Addition to  
Ordinance 102719**

**NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE  
IT IS DUE TO THE QUALITY OF THE DOCUMENT.**

VV58 Original  
CBA 94378

**Ordinance No.** \_\_\_\_\_

AN ORDINANCE amending Sections 1, 2, 8 and 10 of Ordinance 72495, as amended, to exclude persons paying admission charges to attend certain activities of certain non-profit tax-exempt organizations from payment of City admission taxes.

10-2-73 Pass  
10-4-73 Hold

COMPTROLLER  
FILE NUMBER 276512

~~ORIGINAL~~  
**Council Bill No. 94378**

INTRODUCED: OCT 1 1973	BY: CHAPMAN
REFERRED: OCT 1 1973	TOParks & Public Grounds Finance
REFERRED:	
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REPORTED:	SECOND READING:
THIRD READING:	SIGNED:
PRESENTED TO MAYOR:	APPROVED:
RETD. TO CITY CLERK:	PUBLISHED:
VETOED BY MAYOR:	VETO PUBLISHED:
PASSED OVER VETO:	VETO SUSTAINED:

CS 9.1.97

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE  
IT IS DUE TO THE QUALITY OF THE DOCUMENT.

TIME AND DATE STAMP

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

*Anna R. Chapman*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO:

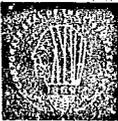
*PS&H P&PG.*  
*FINANCE*  
\_\_\_\_\_  
\_\_\_\_\_

LIEM E. TUAT *LT*

\_\_\_\_\_  
PRESIDENT'S SIGNATURE

C S. 20.28

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.



THE CITY COUNCIL OF THE CITY OF SEATTLE

1106 SEATTLE MUNICIPAL BUILDING

500 FOURTH AVENUE, SEATTLE WASHINGTON 98104

TELEPHONE 583-2640

October 5, 1973

LIEM ENG TUAI  
PRESIDENT OF THE COUNCIL  
583-2357

BRUCE K. CHAPMAN  
CHAIRMAN  
PARKS & PUBLIC GROUNDS  
COMMITTEE  
583-2384

GEORGE E. COOLEY  
CHAIRMAN  
FINANCE COMMITTEE  
583-2359

TIM HILL  
CHAIRMAN  
TRANSPORTATION  
COMMITTEE  
583-2358

PHYLLIS LAMPHERE  
CHAIRMAN  
INTERGOVERNMENTAL  
RELATIONS COMMITTEE  
583-2355

WAYNE D. LARKIN  
CHAIRMAN  
UTILITIES COMMITTEE  
583-2358

JOHN R. MILLER  
CHAIRMAN  
PLANNING & URBAN  
DEVELOPMENT COMMITTEE  
583-2365

SAM SMITH  
CHAIRMAN  
PUBLIC SAFETY & HEALTH  
COMMITTEE  
583-2367

JEANETTE WILLIAMS  
CHAIRMAN  
HUMAN RESOURCES &  
JUDICIARY COMMITTEE  
583-2366

Honorable A. L. Newbould  
Corporation Counsel  
City of Seattle

Dear Mr. Newbould:

Mr. Bader of your organization has a copy of Council Bill 94378, which provides for certain exemptions from the City Admissions Tax.

We would like your office to amend this legislation as per the instructions given by the Finance Committee on October 4, 1973. Additionally, we would like to have this legislation back by October 15, 1973, so that the Finance Committee may consider it at their October 18 meeting.

Thank you for your attention to this matter.

Sincerely yours,

George E. Cooley, Chairman  
Finance Committee

GEC:JD:rp

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JGB:PH  
9-26-73

ORDINANCE

AN ORDINANCE amending Sections 1, 2, 8 and 10 of Ordinance 72495, as amended, to exclude persons paying admission charges to attend certain activities of certain non-profit tax-exempt organizations from payment of City admission taxes.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 1 of Ordinance 72495, as amended by Ordinance 91775, is further amended to read as follows:

Section 1. Definitions. For the purposes of this ordinance, 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.

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"Non-profit Tax-exempt Organization" means an organization, corporation, or association organized and operated for the advancement, appreciation, public exhibition or performance, preservation, study and/or teaching of the performing arts (music, drama including puppetry, opera or dance), visual arts, historic vessels, history, or science, which is currently recognized by the United States of America as exempt from federal income taxation pursuant to Section 501(c)(1) of (3) of the Internal Revenue Code of 1954, 26 U.S.C. § 501, as now existing or hereafter amended, and any college, university, or instrumentality of state or local government insofar as the activity subject to an admission charge of the college, university, or instrumentality is operated through a department or division devoted to the arts, history, or science.

"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.

Section 2. Section 2 of Ordinance 72495, as amended by Ordinances 91775 and 98403, Section 1, is further amended to read as follows:

Section 2(a). There is hereby levied and imposed a tax upon everyone without regard to age, who pays an admission charge as defined in Section 1; Provided, that such tax shall not apply to anyone paying an admission charge of ten cents or less or to any activity of any elementary or secondary school as contemplated by Section 35.21.280, Chapter 7, Laws of 1965 or to an opera, concert, dance recital or like musical entertainment, a play, puppet show or

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dramatic reading, an exhibition of painting, sculpture, or artistic or historical objects, or to a museum, historic vessel, or science center, when a non-profit tax-exempt organization, as defined in Section 1 and registered under Section 8, publicly sponsors and performs such activity, and receives the use and benefit of admission charges collected; provided, further, the foregoing exclusion from taxation shall not apply when a guest artist or other person supplies the major portion of the materials on exhibition or of the performance of such activity of the non-profit tax-exempt organization.

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 7 by the person selling such tickets.

Section 3. Section 8 of Ordinance 72490, as amended by Ordinance \_\_\_\_\_, is hereby amended to read as follows:

Section 8. 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 Director of Licenses and Consumer Affairs, make application to and procure from the Comptroller

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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 Director of Licenses and Consumer Affairs without additional charge, shall be posted in a conspicuous place in each ticket or box office where tickets of admission are sold.

Whenever the persons paying an admission charge in excess of ten cents are not to be taxed and are not attending an activity of an elementary or secondary school, the person putting on such activity, or set of activities, and in the absence of registration by such person the person conducting or operating the place at which such activity occurs, shall on the application for Certificate of Registration or other form prescribed by the Director of Licenses and Consumer Affairs:

- a) Identify the activity or set of activities at which persons paying an admission charge are not to be taxed;
- b) Supply sufficient information as will enable the Director of Licenses and Consumer Affairs both to determine the applicability of the tax to the activity or set of activities so identified and to distinguish the same from other occasions, if any, of the applicant when taxes are to be collected; and
- c) Provide evidence as necessary to show the status of the party performing the activity or set of activities as a non-profit tax-exempt organization as defined in Section 1.

The form may require the applicant to notify the Director of Licenses and Consumer Affairs of any subsequent change in condition from the facts stated or information supplied. If the Director of Licenses and

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Consumer Affairs determines that persons paying such admission charge are not subject to the admission tax, the applicant shall receive a certification of such determination upon the Certificate of Registration or upon such other document as the Director of Licenses and Consumer Affairs may determine which shall be posted with the Certificate of Registration.

Section 4. Section 10 of Ordinance 72495, as amended by Ordinance \_\_\_\_\_, is hereby amended to read as follows:

Section 10. RULES AND REGULATIONS. The Director of Licenses and Consumer Affairs shall have the 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 for administering the exclusion from taxation upon persons paying an admission charge to activities enumerated in Section 2(a) involving the arts, history, or science performed by a non-profit tax-exempt organization; 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 ordinance.

Section 5. This amendment shall not affect tax imposed or collected or relieve tax liability incurred prior to the effective date of this ordinance.

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(To be used for all Ordinances except Emergency.)

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Section 6. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the.....day of....., 19 ..,  
and signed by me in open session in authentication of its passage this..... day of  
....., 19 ..

President..... of the City Council.

Approved by me this.....day of....., 19 ..

Mayor.

Filed by me this.....day of....., 19 ..

Attest:.....  
City Comptroller and City Clerk.

(SEAL)

Published.....

By.....  
Deputy Clerk.

ASSISTANT CORPORATION COUNSEL

JOHN P. HARPIS  
G. GRANT WILCOX  
THOMAS J. WETZEL  
ARTHUR T. LANE  
GORDON F. CRANDALL  
CHARLES R. NELSON  
JAMES M. TAYLOR  
LAWRENCE K. MCDONELL  
J. ROGER NOWELL  
JORDEN G. BADER  
E. NEAL KING  
JAMES B. HOWE, JR.  
DONALD H. STOUT  
MYRON L. CORNELIUS  
PHILIP M. KING  
RICHARD E. MANN  
HELEN WILSON  
RICHARD S. OETTINGER  
JAMES G. BLAIR

THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING • SEATTLE, WASHINGTON 98104  
AREA CODE 206 TELEPHONE 583-2304

A. L. NEWBOULD, CORPORATION COUNSEL

CITY PROSECUTORS  
ROBERT M. ELIAS  
JACK B. REGAN  
ROBERT B. JOHNSON  
JOSEPH T. SCHLOSSER

CLAIMS MANAGER  
V. L. PORTER

September 27, 1973

Re: C.F. 276512

City Council  
The City of Seattle

Honorable Members:

By City Council Transmittal dated August 24, 1973, you transmitted C.F. 276512, requesting amendment of the Seattle Admission Tax to exclude performing arts organizations, and requested legislation in accordance with the draft ordinance in the file.

The draft ordinance contemplates exemption of payment of admission taxes in connection with admission to an activity in which the "principal performing agency" met these three criteria: (1) It is formed and operated primarily for the purpose of public performance of the performing arts or public exhibition of "visual arts, scientific works or historical items"; (2) It is currently recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code; and (3) its main administration is located in Seattle.

The proposed ordinance which we have prepared and forward herewith makes revisions in each of the three qualifications for the reasons stated in the following three paragraphs and provides for administration in Sections 3 and 4 in conjunction with the certificate of registration.

The ordinance submitted expands the first qualifications to organizations "organized and operated for the advancement, appreciation, public exhibition or performance study and/or teaching of the performing arts, visual arts, history or science" and also such departments of a college, university or instrumentality of state or local government devoted to the arts, history or science in order to include all the organizations listed in paragraph three of the "Proposal for Support of the Performing Arts."

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City Council  
September 27, 1973  
Page 2

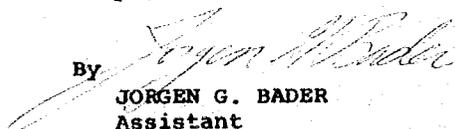
For the same reason, the ordinance submitted expands the second qualifications to include colleges, universities, and state and local government and instrumentalities of the United States recognized as tax-exempt under Section 501(a)(3). The definition in the draft ordinance and restriction to 501(a)(3) organizations would not have done so.

The third qualification was deleted since the Comptroller's File and other material examined failed to provide a sufficient basis for such a differentiation. While the legislative authority has broad discretion in making classifications for purposes of taxation, its distinctions must rest on a reasonable basis, Hemphill v. Tax Commission, 65 Wn.2d 889 (1965). With the admissions tax, the tax is levied upon the persons paying the admission charge rather than the sponsoring organization. The Comptroller's File does not provide facts related to the purpose of the tax for exempting from taxation the persons paying an admission charge to a performance put on by a local organization while imposing the tax upon those persons that pay an admission tax to a similar type of performance by a non-profit tax-exempt organization with its headquarters or home identification with another locality in the county, another city in the state, or a metropolitan area in another state.

The proposed ordinance leaves a blank space in Sections 3 and 4, which amend Sections 8 and 10 of Ordinance 72495 respectively, for completion by insertion of the ordinance number of Council Bill 93159 passed September 24, 1973.

Yours very truly,

A. L. NEWBOULD  
Corporation Counsel

By   
JORGEN G. BADER  
Assistant

JGB:ph

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