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0-14-91

ORDINANCE No. 115954

COUNCIL BILL No. 108903

The City of

AN ORDINANCE relating to the business tax on utilities; amending Seattle Municipal Code Section 5.48.050 to change the rates of tax on certain business activities.

Honorable President:

Your Committee on Budget

to which was referred the within Council report that we have considered the

Pass 6-0 (a)

Full Council

COMPTROLLER FILE No. \_\_\_\_\_

Introduced: <u>11-18-91</u>	By: <u>Sibonga</u>
Referred: <u>11-18-91</u>	To: <u>Budget</u>
Referred:	To:
Referred:	To:
Reported: NOV 25 1991	Second Reading: NOV 25 1991
Third Reading: NOV 25 1991	Signed: NOV 25 1991
Presented to Mayor: NOV 25 1991	Approved: DEC 1 2 1991
Returned to City Clerk:	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

# The City of Seattle--Legislative Department

Date Reported  
and Adopted

## REPORT OF COMMITTEE

President:

Committee on Budget

was referred the within Council Bill No. 108903

that we have considered the same and respectfully recommend that the same:

Pass 6-0 (absent: PK, CC, TW) 11-20-91

and Council vote 7-0



Committee Chair

ORDINANCE 115954

1 AN ORDINANCE relating to the business tax on utilities; amending Seattle Municipal  
2 Code Section 5.48.050 to change the rates of tax on certain business activities.

3 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

4 Section 1. Subsection C of Seattle Municipal Code Section 5.48.050 (Ordinance  
5 62662, Section 5 as last amended by Ordinance 115908, Section 1) is further amended as  
6 follows:

7 C. Upon everyone, including The City of Seattle, engaged in or carrying on the  
8 business of selling or furnishing water for hire, a fee or tax equal to ~~((nine percent (9%)))~~  
9 ten percent (10%) of the total gross income from such retail business in the city; provided  
10 that the minimum fee or tax shall not be less than One Thousand Dollars (\$1,000.00) per tax  
11 year; and provided further that as to The City of Seattle in the conduct of its municipal water  
12 utility, such tax shall be applicable to the business of such utility done without, as well as  
13 within, the city.

14 Section 2. Subsection F of Seattle Municipal Code Section 5.48.050 (Ordinance  
15 62662, Section 5 as last amended by Ordinance 115908, Section 1) is further amended as  
16 follows:

17 F. Upon The City of Seattle in respect to the conduct, maintenance, and operation  
18 of its municipal drainage and wastewater system as a public utility a fee or tax equal to  
19 ~~((nine percent (9%)))~~ ten percent (10%) of the total gross income from the drainage and  
20 wastewater charges provided for under City ordinances.

21 Section 3. Subsection G of Seattle Municipal Code Section 5.48.050 (Ordinance  
22 62662, Section 5 as last amended by Ordinance 115908, Section 1) is further amended as  
23 follows:

24 G. Upon everyone, including The City of Seattle, engaged in or carrying on the  
25 business of the collection of garbage, rubbish, trash, and other solid waste, including  
26 yardwaste and recyclables, and construction, demolition, and landclearing wastes, a fee or  
27 tax equal to ~~((sixteen and nine tenths percent (16.9%)))~~ seventeen and nine-tenths percent  
28 (17.9%) of the total gross income from the business, less income derived from:

1. Collection and/or sale of recycled materials and/or recovered materials, including charges for the lease or rental of containers used in the collection of recycled/recovered materials;
2. Collection and/or sale after processing of yardwaste products, including charges for the lease or rental of containers used in the collection of yardwaste products;
3. Sale of wheeled containers used for collection of residential solid waste;
4. Collection and disposal of bulky items and white goods;
5. Grants and contracts from governmental agencies;
6. The City of Seattle for collecting or disposing of residential garbage and other solid waste; ~~((and))~~

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7. The portion of the City's solid waste collection receipts expended for collection of recyclable materials and yardwaste((-)); and
  8. Transportation or deposit of sand and gravel for construction or a public improvement.

Income derived from (1) through (8) shall be taxed under SMC 5.44. The rate of tax shall be reviewed by the City Council each time solid waste collection rates are changed.

**Section 4.** Subsection H of Seattle Municipal Code Section 5.48.050 (Ordinance 62662, Section 5 as last amended by Ordinance 115908, Section 1) is further amended as follows:

H. Upon everyone engaged in the business of operating or conducting a cable television system (CATV), a fee or tax equal to ~~((nine percent (9%)))~~ ten percent (10%) of the total gross income from gross subscriber revenues. For purposes of this chapter, "gross subscriber revenues" means and includes those revenues derived from the supplying of subscription service, that is, installation fees, disconnect and reconnect fees, fees for regular cable benefits including the transmission of broadcast signals and access and origination channels and per program or per channel charges; it does not include leased channel revenue, advertising revenues, or any other income derived from the system.

**Section 5.** Seattle Municipal Code Section 5.48.220 (Ordinance 112943, Section 3 as last amended by Ordinance 115549, Section 2) is further amended as follows:

Forty-seven and two-tenths percent (47.2%) of all revenues collected from persons engaged in or carrying on the business of the collection or disposal of garbage, rubbish, trash or other solid waste or carrying on the business of operating a garbage transfer station or similar activity under SMC 5.48.050 ~~((H))~~ G shall be segregated and credited to the Solid Waste Fund, and shall be expended for costs related to the closure of the Midway and Kent Highlands landfills, including damage claims and judgments; and controlling air and water pollution which may emanate from these landfills; and other costs of the utility related to solid waste collection and disposal. The percentage of revenues credited to the Solid Waste Utility Fund shall be adjusted whenever the fee or tax in SMC Section 5.48.050 ~~((H))~~ G is adjusted.

**Section 6.** This ordinance shall take effect and be in force January 1, 1992.

(To be used for all Ordinances except Emergency.)

Section . . . 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 25<sup>th</sup> day of November, 1991,  
and signed by me in open session in authentication of its passage this 25<sup>th</sup> day of  
November, 1991.

Geo. W. Chow  
President Pro Tem of the City Council.

Approved by me this 5<sup>th</sup> day of December, 1991.

Marion B. Piers  
Mayor.

Filed by me this 5<sup>th</sup> day of December, 1991.

Normand J. Brooks  
Attest: \_\_\_\_\_  
City Comptroller and City Clerk.

(SEAL)

Published \_\_\_\_\_

By Margaret Carter  
Deputy Clerk.

ORDINANCE \_\_\_\_\_

1  
2 AN ORDINANCE relating to the business tax on utilities; amending  
3 Seattle Municipal Code Section 5.48.050 to change the rates  
4 of tax on certain business activities.

5 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

6 **Section 1.** Subsection C of Seattle Municipal Code Section  
7 5.48.050 (Ordinance 62662, Section 5 as last amended by  
8 Ordinance \_\_\_\_\_, Section 1) is further amended as follows:

9 C. Upon everyone, including The City of Seattle, engaged  
10 in or carrying on the business of selling or furnishing water  
11 for hire, a fee or tax equal to (~~nine percent (9%)~~) ten  
12 percent (10%) of the total gross income from such retail  
13 business in the city; provided that the minimum fee or tax shall  
14 not be less than One Thousand Dollars (\$1,000.00) per tax year;  
15 and provided further that as to The City of Seattle in the  
16 conduct of its municipal water utility, such tax shall be  
17 applicable to the business of such utility done without, as well  
18 as within, the city.

19 **Section 2.** Subsection F of Seattle Municipal Code Section  
20 5.48.050 (Ordinance 62662, Section 5 as last amended by  
21 Ordinance \_\_\_\_\_, Section 1) is further amended as follows:

22 F. Upon The City of Seattle in respect to the conduct,  
23 maintenance, and operation of its municipal drainage and  
24 wastewater system as a public utility a fee or tax equal to  
25 (~~nine percent (9%)~~) ten percent (10%) of the total gross  
26 income from the drainage and wastewater charges provided for  
27 under City ordinances.

28 **Section 3.** Subsection G of Seattle Municipal Code Section  
5.48.050 (Ordinance 62662, Section 5 as last amended by  
Ordinance \_\_\_\_\_, Section 1) is further amended as follows:

G. Upon everyone, including The City of Seattle, engaged  
in or carrying on the business of the collection of garbage,  
rubbish, trash, and other solid waste, including yardwaste and  
recyclables, and construction, demolition, and landclearing  
wastes, a fee or tax equal to (~~sixteen and nine-tenths percent  
(16.9%)~~) seventeen and nine-tenths percent (17.9%) of the total  
gross income from the business, less income derived from:

1. Collection and/or sale of recycled materials and/or recovered materials, including charges for the lease or rental of containers used in the collection of recycled/recovered materials;
2. Collection and/or sale after processing of yardwaste products, including charges for the lease or rental of containers used in the collection of yardwaste products;
3. Sale of wheeled containers used for collection of residential solid waste;
4. Collection and disposal of bulky items and white goods;
5. Grants and contracts from governmental agencies;
6. The City of Seattle for collecting or disposing of residential garbage and other solid waste;  
((and))

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2 7. The portion of the City's solid waste collection  
3 receipts expended for collection of recyclable  
4 materials and yardwaste(~~(-)~~); and

5 8. Transportation or deposit of sand and gravel for  
6 construction or a public improvement.

7 Income derived from (1) through (8) shall be taxed  
8 under SMC 5.44. The rate of tax shall be reviewed by the City  
9 Council each time solid waste collection rates are changed.

10 **Section 4.** Subsection H of Seattle Municipal Code Section  
11 5.48.050 (Ordinance 62662, Section 5 as last amended by  
12 Ordinance \_\_\_\_\_, Section 1) is further amended as follows:

13 H. Upon everyone engaged in the business of operating or  
14 conducting a cable television system (CATV), a fee or tax equal  
15 to (~~nine percent (9%)~~) ten percent (10%) of the total gross  
16 income from gross subscriber revenues. For purposes of this  
17 chapter, "gross subscriber revenues" means and includes those  
18 revenues derived from the supplying of subscription service,  
19 that is, installation fees, disconnect and reconnect fees, fees  
20 for regular cable benefits including the transmission of  
21 broadcast signals and access and origination channels and per  
22 program or per channel charges; it does not include leased  
23 channel revenue, advertising revenues, or any other income  
24 derived from the system.

25 **Section 5.** Seattle Municipal Code Section 5.48.220  
26 (Ordinance 112943, Section 3  
27 as last amended by Ordinance 115549, Section 2) is further  
28 amended as follows:

~~((Forty seven and two tenths percent (47.2%))~~) forty-five  
percent (45%) of all revenues collected from persons engaged in  
or carrying on the business of the collection or disposal of  
garbage, rubbish, trash or other solid waste or carrying on the  
business of operating a garbage transfer station or similar  
activity under SMC 5.48.050 ((H)) G shall be segregated and  
credited to the Solid Waste Fund, and shall be expended for  
costs related to the closure of the Midway and Kent Highlands  
landfills, including damage claims and judgments; and  
controlling air and water pollution which may emanate from these  
landfills; and other costs of the utility related to solid waste  
collection and disposal. The percentage of revenues credited to  
the Solid Waste Utility Fund shall be adjusted whenever the fee  
or tax in SMC Section 5.48.050 ((H)) G is adjusted.

**Section 6.** This ordinance shall take effect and be in  
force January 1, 1992.

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**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

STATE OF WASHINGTON - KING COUNTY

11845  
City of Seattle

—ss.

No.

Affidavit of Publication

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

ORD: 115954

was published on

12/16/91

The amount of the fee charged for the foregoing publication is the sum of \$ \_\_\_\_\_ which amount has been paid in full.

*W. Kelly*

Subscribed and sworn to before me on

12/17/91

*Jennifer L. Nicholson*

Notary Public for the State of Washington,  
residing in Seattle

# City of Seattle

ORDINANCE 115903

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Section 2. Subsection F of Seattle Municipal Code Section 5.48.050 (Ordinance 62662, Section 5 as last amended by Ordinance 115908, Section 1) is further amended as follows:

F. Upon The City of Seattle in respect to the construction, maintenance, and operation of its municipal drainage and wastewater system as a public utility a fee or tax equal to ~~((nine percent (9%)))~~ ~~ten percent (10%)~~ of the total gross income from the drainage and wastewater charges provided for under City ordinances.

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7. The portion of the City's solid waste collection receipts expended for collection of recyclable materials and yardwaste~~((,))~~; and
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