

ORDINANCE No. 118665

COUNCIL BILL No. 11802

Law Department

INDEXED

The City

AN ORDINANCE relating to gambling taxes and amending Seattle Municipal Code Chapter 5.52, in connection therewith.

OK

Honorable President:

Your Committee on _____

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

7-21-97 Fall COO

COMPTROLLER FILE No. _____

Introduced: JUL 17 1997	By: CHOE
Referred: JUL 17 1997	To: Finance & Budget Committee
Referred:	To:
Referred:	To:
Reported: JUL 21 1997	Second Reading:
Third Reading: JUL 21 1997	Signed: JUL 21 1997
Presented to Mayor: JUL 21 1997	Approved: JUL 25 1997
Returned to City Clerk: JUL 25 1997	Published: <i>Full app</i>
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

02107

Department

Passed, 3-0.

The City of Seattle--Legislative Department

REPORT OF COMMITTEE

Date Reported
and Adopted

File President:

Committee on

was referred the within Council Bill No.

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

1-97 Fall Council Action

(excused: Podlodowski)

Committee Chair

ORDINANCE 118665

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AN ORDINANCE relating to gambling taxes and amending Seattle Municipal Code Chapter 5.52 in connection therewith.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Effective July 27, 1997, subsections A and B of Section 5.52.030 of the Seattle Municipal Code (Ordinance 102459, § 1 (part), as last amended by Ordinance 118313, § 3) are further amended as follows:

5.52.030 Tax levied.

A. In accordance with RCW Chapter 9.46, as amended, a tax or fee is levied upon all persons, corporations, associations, or organizations conducting or operating within the City any of the following gambling activities authorized by RCW 9.46.010, as amended, and RCW 9.46.033, as follows:

1. For the conduct of amusement games, a tax equal to two percent (2%) of the net gambling receipts; and
2. For ~~((punchboards))~~ punch boards and pull-tabs, as defined in RCW 9.46.0273, except for those punch boards and pull-tabs taxed under paragraph B. 2. below, a tax equal to five percent (5%) of the gross gambling receipts.

B. In accordance with RCW Chapter 9.46, as amended, a tax or fee is levied on all bona fide charitable or nonprofit organizations, as defined in RCW 9.46.0209, conducting or operating in the City any of the following gambling activities, as follows:

1. Upon and for the conduct of bingo games, as defined in RCW 9.46.0205, and raffles, as defined in RCW 9.46.0277, a tax equal to ten percent (10%) of the net gambling receipts; and

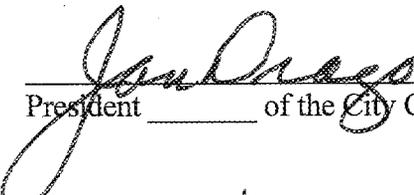
2. For punch boards and pull-tabs, as defined in RCW 9.46.0273, a tax equal to ten percent (10%) of the net gambling receipts; and

3. Upon and for the conduct of a fundraising event, as defined in RCW 9.46.0233, a tax equal to ten percent (10%) of the net gambling receipts.

Section 2. No tax incurred prior to the effective date of section 1 of this ordinance and no penalty related to that tax shall be affected by the amendment to section 5.52.030 of the Seattle Municipal Code, and collection of such taxes and penalties may continue in all respects as if that section had not been amended.

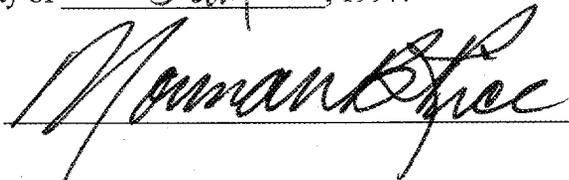
Section 3. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 25th day of JULY, 1997, and signed by me in open session in authentication of its passage this 25th day of JULY, 1997.



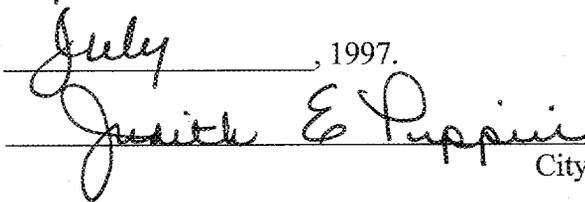
President _____ of the City Council

Approved by me this 25th day of July, 1997.



Mayor

Filed by me this 25 day of July, 1997.



City Clerk

(Seal)



City of Seattle

Norman B. Rice, Mayor

Executive Services Department

Dwight D. Dively, Director

June 26, 1997

The Honorable Jan Drago
President, Seattle City Council
600 Fourth Avenue, 11th floor
Seattle, Washington 98104

Via: Office of Management and Planning
Attention: Judy Bunnell, Director
Subject: An Ordinance Amending Seattle Municipal Code 5.52 which Concerns Gambling Taxes to Comply with Legislation Passed by the State in 1997 as Senate Bill 5034.

Dear Councilmember Drago,

On April 27, 1997, Governor Locke signed Senate Bill 5034 into law with the exception of sections 1 and 2. The bill's main provisions concern punch board and pull-tabs and increase the maximum charge for a single chance from fifty cents to one dollar. The bill gives cities the option of taxing punch board and pull-tab gambling activities at a maximum of either five percent of gross proceeds or ten percent of net proceeds, and makes it mandatory that city tax bona-fide charitable or nonprofit organizations at a maximum of ten percent of gross proceeds. It is this last provision that generates this ordinance revision to SMC 5.52. Presently, the SMC dictates that the City tax both bona-fide charitable or nonprofit organizations and for profit organizations at the maximum of five percent of gross. The new state law prohibits this practice, thus the code needs to be amended according to the attached ordinance proposal.

The revenue impact of this ordinance change is minimal since we have less than ten charitable or nonprofit organizations operating punch boards and pull-tabs. The estimated revenue loss is less than \$10,000.

Revenue & Consumer Affairs, 600 Fourth Avenue - Room 103, Seattle, WA 98104-1891

Tel: (206) 684-8300, TDD: (206) 233-7810, FAX: (206) 684-5170, <http://www.ci.seattle.wa.us>

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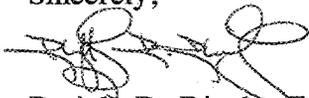


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June 26, 1997

The effective date of the state law is July 27, 1997.

Thank you for your assistance in facilitating the presentation of this ordinance proposal. If you have any questions please contact Mel McDonald, Director Revenue and Consumer Affairs Division at 233-0071.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Dively", with a large, stylized flourish extending from the end of the signature.

Dwight D. Dively, ESD Director

cc: Mel McDonald, Director Revenue and Consumer Affairs

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:

Mark A. Chase _____

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO: _____

PRESIDENT'S SIGNATURE

STATE OF WASHINGTON - KING COUNTY

83401
City of Seattle, City Clerk

—SS.

No. ORD IN FULL

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

CT:ORD 118665

was published on

08/01/97

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

R. Johnson

Subscribed and sworn to before me on
08/01/97
[Signature]

Notary Public for the State of Washington,
residing in Seattle

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Janet M Wallace, Forrest M Wallace.
Michael S Bissell.
97-2-18476-2 Tort Mtr Veh Dv: N.
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PUBLIC NOTICE

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Mgmt & Realty of W
West Mgmt & Realty,
Timothy Roble dba
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