SUMMARY and FISCAL NOTE

Department:	Contact Person/Phone:	Executive Contact/Phone:
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1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to taxation of utilities in The City of Seattle; amending Section 5.48.050 of the Seattle Municipal Code.

Summary and background of the Legislation:
The Seattle Municipal Code requires that utilities operating within the City of Seattle must pay utility taxes. Unlike the majority of other utility taxes, taxes on drainage and wastewater systems currently only apply to municipal utilities. This legislation proposes a technical amendment to the Code to make these utility taxes apply to both municipal and port district utilities. After this Ordinance is adopted, all drainage and wastewater utilities from both municipal and port district utilities would be subject to the taxes authorized in SMC 5.48.050.

2. CAPITAL IMPROVEMENT PROGRAM

____ **This legislation creates, funds, or amends a CIP Project.**

3. SUMMARY OF FINANCIAL IMPLICATIONS

_X_ **This legislation has direct financial implications.**

Budget program(s) affected:				
Estimated $ Appropriation change:	**General Fund $**		**Other $**	
	2015	**2016**	**2015**	**2016**
Estimated $ Revenue change:	**Revenue to General Fund**		**Revenue to Other Funds**	
	2015	**2016**	**2015**	**2016**
		$400,000		
Positions affected:	**No. of Positions**		**Total FTE Change**	
	2015	**2016**	**2015**	**2016**
Other departments affected:				

3.a. Appropriations

____ **This legislation adds, changes, or deletes appropriations.**

3.b. Revenues/Reimbursements

__X_ **This legislation adds, changes, or deletes revenues or reimbursements.**

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2015 Revenue	2016 Estimated Revenue
GF	General Fund	Utility Taxes		$400,000
TOTAL				**$400,000**

Revenue/Reimbursement Notes:
This legislation may generate up to $400,000 in revenue from the Port of Seattle. Any revenue generated will offset a reduction of $400,000 of General Fund revenues anticipated in 2016 as a result of the Port of Seattle becoming their own drainage utility.

3.c. Positions

____ **This legislation adds, changes, or deletes positions.**

4. OTHER IMPLICATIONS

a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**
Yes. If this legislation is not enacted, the City will forego utility tax revenue from port district utilities for drainage and wastewater.

b) **Is there financial cost or other impacts of not implementing the legislation?**
Yes. If this legislation is not enacted, the City will forego utility tax revenue from port district utilities for drainage and wastewater.

c) **Does this legislation affect any departments besides the originating department?**
None.

d) **Is a public hearing required for this legislation?**
No.

e) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.

f) Does this legislation affect a piece of property?
No.

g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?
None.

h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.
Not applicable.

i) Other Issues:
None.

List attachments below:
None.