

ORDINANCE NO. 2037

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO REVENUE AND TAXATION LEVYING A TAX ON PERSONS PAYING ADMISSIONS, FIXING THE AMOUNT AND PROVIDING FOR THE COLLECTION THEREOF, PROVIDING UNDER CERTAIN CIRCUMSTANCES FOR LICENSING, FOR REVENUE OF SHOWS, EXHIBITS AND LAWFUL GAMES ESTABLISHING A FEE FOR SAME AND PROVIDING CREDITS THERETO AND PRESCRIBING PENALTIES.

BE IT ORDAINED by the City Council of the City of Kirkland as follows:

Section 1. Definitions. For purposes of this ordinance, words and terms shall have the following meanings:

a. ADMISSION CHARGE: In addition to its usual and ordinary meaning, shall include but not be 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 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; (4) a charge made for admission to any theater, 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 shall include 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 tracts or not; (5) a charge made for automobile parking where the amount of the charge is determined according to the number of passengers in a automobile.

b. 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, non-profit or otherwise.

Section 2. (a) There is hereby levied and imposed a tax upon every person without regard to age, who pays an admission

charge as defined in Section one; Provided, that as contemplated by Ch. 126, Laws of Washington, 1957, such tax shall not apply as to any person paying an admission charge to any activity of any elementary or secondary school. The tax here imposed shall be in the amount of three per cent (3%) 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 of 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) Any person 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 subdivision (a) of this section, a tax of three per cent (3%) of the price of such box or seat, the same to be collected and remitted in the manner provided in Section 7 hereof by the person selling such tickets.

Section 3. 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.

Section 4. Where more than 15¢ 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.

Section 5. Any person paying more than 15¢ to gain admission to any resort or picnic grounds is subject to a tax at 3% 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 7 hereof.

Section 6. 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 Clerk 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 any person 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:

<u>Established Price</u>	_____
<u>Non-City Tax</u>	_____
<u>City Tax</u>	_____
<u>Total price</u>	_____

Section 7. Any person, including any municipal or quasi municipal corporation, who receives any payment for any admission charge on which a tax ^{IS IMPOSED BY THIS ORDINANCE SHALL COLLECT SAME} from the person making the admission payment and shall remit the same to the City Clerk as herein provided. The tax required to be collected under this ordinance shall be deemed held in trust by the person required to collect the same until remitted to the Clerk as herein provided. Any person required to collect the tax imposed under this ordinance who fails to collect same, or who collects the same but fails to remit the same to the Clerk in the manner prescribed by this ordinance 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 ordinance 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 Clerk in monthly remittances on or before the 15th day of the month succeeding the end of the monthly period in which the tax is collected or received and accompanied by such reports as the Clerk shall require: Provided, that the Clerk, 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 Clerk, but payment by check shall not relieve the one collecting the tax from liability for payment and remittance of the tax to the Clerk unless the check is in the full and correct amount and until the check is honored. Any person receiving any payment for admissions shall make out a return upon such forms and setting forth such information as the Clerk 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 Clerk with a remittance for said amount; Provided, that the Clerk may in his discretion require verified annual returns from any person 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 Clerk shall add a penalty of 10% 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 theater, 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 Clerk shall be the judge, the Clerk 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 performance or exhibition, or at the conclusion of the series of performances or exhibitions or at such other times as the Clerk shall determine; and failure to comply with any requirement of the Clerk as to report and remittance of the tax as required shall be a violation of this ordinance. Every person liable for the collection and payment of the tax imposed by this ordinance shall keep and preserve for a period of five (5) 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 ordinance, and all such tickets, books and records shall be open for examination and audit at all reasonable times by the Clerk or his duly authorized agent. Written permission may be granted by the City Clerk to destroy unused tickets prior to the expiration of the five year period.

Section 8. Any person conducting or operating any place for entrance to which an admission charge is made, shall, on a form prescribed by the Clerk, make application to and procure from the City a certificate of Registration, the fee for which shall be One Dollar (\$1.00), 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 Clerk without additional charge, shall be posted in a conspicuous place in each ticket or box office where tickets of admission are sold.

Section 9. 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 ordinance shall be reported and remitted as provided in Section 7

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 case shall furnish the Clerk, 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 Clerk of the issuance of such certificate and of his joint liability for collection and remittance of such tax.

Section 10. The Clerk shall have power to adopt rules and regulations not inconsistent with the terms of this ordinance 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 Clerk's office. Failure or refusal to comply with any such rules and regulations shall be deemed a violation of this ordinance.

Section 11. The tax hereby levied and imposed shall be collected and paid on and after APRIL 1, 1969

Section 12. If any portion of this ordinance shall be adjudged invalid, such invalidity shall not affect the portions which are not adjudged invalid.

Section 13. Each violation of or failure to comply with the provisions of this ordinance shall constitute a separate offense and shall subject the offender to a fine of not to exceed two Hundred Fifty Dollars (\$250.00) or to imprisonment for not more than ninety (90) days, or to both such fine and imprisonment.

Section 14. Any person who directly or indirectly performs or omits to perform any act in violation of this ordinance, 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 ordinance and may be proceeded against as such.

Section 15. The applications and returns made to the Clerk pursuant to this ordinance shall not be made public, nor shall they be subject to the inspection of anyone except the City Manager, City Attorney, City Clerk or authorized agent, and members of the City Council; and it shall be unlawful for any person 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.

Section 16. Licenses for revenue and regulation:

(A) Any show, exhibition or lawful game for which an admission charge is made which is carried on in whole or in part within the City limits of the City of Kirkland or within one mile of the corporate limits thereof, which would be subject to the foregoing provisions of this ordinance but for the fact that such activity or the place of payment of admission fee, therefore, is located outside the corporate limits of Kirkland but within one mile thereof, shall be subject to the following licensing provisions: Pursuant to the authority given to cities of the third class under RCW 35.24.290 (7) to license for purposes of regulation and revenue all shows, exhibitions and lawful games carried on within such city and within one mile of the corporate limits thereof, any show, exhibit or lawful game to which an admission is charged, shall prior to its commencement, be licensed by the City of Kirkland. The fee for such license shall be 3% of the total gross revenue received from such admission charges, provided, however, that there shall be allowed as a credit against such license fee, an amount equal to;

(A) The amount paid (if any) to the City of Kirkland under the provisions of Sections 1 through 15 inclusive of this ordinance (admission tax) for such show, exhibition or lawful game, and

(b) 50% of the amount of admission taxes for such show, exhibition or lawful game, imposed by and paid to any other municipal corporation.

(C) The manner of registration for such license and the manner of establishing and paying such license fee, shall be as set forth in Section 3 through 15 inclusive of this ordinance.

Section 17. This ordinance shall in force and take effect 5 days from and after its passage and publication as required by law.

PASSED by the City Council at regular meeting on the 17th day of MARCH, 1969.


SIGNED in authentication thereof on the 17th day of MARCH, 1969.

ATTEST:



Director of Administration and Finance
(ex officio City Clerk)

Approved as to form:


MAYOR