

ORDINANCE NO. 2773

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO BUSINESS AND OCCUPATION TAXES IMPOSED UPON PERSONS ENGAGED IN OR CARRYING ON THE BUSINESS OF PROVIDING TELEPHONE SERVICE FOR RESIDENTIAL DOMESTIC ACTIVITIES, THE SELLING OR FURNISHING OF NATURAL OR MANUFACTURED GAS FOR RESIDENTIAL DOMESTIC ACTIVITIES, AND THE SELLING OR FURNISHING OF ELECTRIC LIGHT AND POWER OR ELECTRICAL ENERGY FOR RESIDENTIAL DOMESTIC ACTIVITIES, AND AMENDING SECTION 5.08.050 OF THE KIRKLAND MUNICIPAL CODE IN ORDER TO CONFORM WITH THE REQUIREMENTS OF SECTION 5, CHAPTER 99, LAWS OF 1983.

Whereas, Section 5, Chapter 99, Washington Laws of 1983 limits the maximum tax which may be imposed by cities on the gross receipts of electrical energy, natural gas and telephone businesses or utilities, to six percent thereof, and further requires that any city tax in excess of said limit be reduced to six percent of gross receipts over a period of five years in annual steps; and

Whereas, certain taxes imposed by the City of Kirkland pursuant to Section 5.08.050 of the Kirkland Municipal Code are currently in excess of six percent and must therefore be reduced in accordance with the provisions of Section 5, Chapter 99, Washington Laws of 1983; now, therefore,

Be it ordained by the City Council of the City of Kirkland as follows:

Section 1. Section 5.08.050 of the Kirkland Municipal Code ~~be and it~~ hereby is amended to read as follows:

5.08.050 Occupations subject to tax--Amount.
Whenever a person subject to tax under this chapter classifies customers for purposes of services rendered, commodities provided, and/or charges made therefor, as between residential and nonresidential, or as between residential and commercial, or similar classifications, such persons shall be deemed to be engaging in a separate business activity as to each such classification; provided, that the tax rates to be paid thereon shall be as established in this section.

There levied upon and shall be collected from the persons on the account of the business activities annual license fees or occupation taxes in the amounts to be determined by the application of the rates against gross income as follows:

(1) Upon every person engaged in or carrying on the business of providing telephone service for residential domestic activities a fee or tax equal to five percent of the total gross income from such business in the city, including one hundred percent of the total gross revenues derived from toll service, during the tax year for which the license is required;

(2) Upon every person engaged in or carrying on the business of providing telephone services available for other than residential domestic activities a fee or tax equal to six and one-half percent of the total gross income from such business in the city, including one hundred percent of the total gross revenues derived from toll service, during the tax year for which the license is required;

(3) Upon every person engaged in and carrying on the business of selling or furnishing natural or manufactured gas for residential domestic activities' consumption, a fee or tax equal to five percent of the total gross income from such business in the city during the tax year for which the license is required;

(4) Upon every person engaged in or carrying on the business of selling or furnishing natural or manufactured gas for other than residential domestic activities' consumption, a fee or tax equal to six and one-half percent of the total gross income for such business in the city during the tax year for which the license is required;

(5) Upon every person engaged in or carrying on the business of selling or furnishing electric light and power or electrical energy for residential domestic activities' consumption, a fee or tax equal to five percent of the total gross income from such business in the city during the tax year for which the license is required;

(6) Upon every person engaged in or carrying on the business of selling or furnishing electric light and power or electrical energy for other than residential domestic activities' consumption a fee or tax equal to six and one-half percent of the total gross income from such business in the city for the tax year for which the license is required;

(7) Upon every person engaged in or carrying on the business of furnishing water distribution and/or sanitary collection services, including both sewer and refuse for residential domestic activities, a fee or tax equal to five percent of the total gross income from such business in the city during the tax year for which the license is required;

(8) Upon every person engaged in or carrying on the business of furnishing water distribution and/or sanitary collection services including both sewage and refuse for other than residential domestic activities a fee or tax equal to six and one-half percent of the total gross income from such business in the city during the tax year for which the license is required.

(9) Provided, however, that the tax rate imposed by sub-sections 5.08.050(2), (4), and (6), shall in accordance with the requirements of Section [4, Chapter 49, Washington Laws of 1982, First Ex Sess.] 5, Chapter 99, Washington Laws of 1983, be imposed at the following rates:

(A) For the calendar year commencing January 1, 1983, [~~6.4 percent~~] .0640 of the total gross income from such business in the city;

(B) For the calendar year commencing ~~January 1, 1984~~ February 1, 1984, [~~6.3 percent~~] .0635 of the total gross income from such business in the city;

(C) For the calendar year commencing January 1, 1985, [~~6.2 percent~~] .0630 of the total gross income from such business in the city;

(D) For the calendar year commencing January 1, 1986, [~~6.1 percent~~] .0625 of the total gross income from such business in the city;

(E) For the calendar year[s] commencing January 1, 1987 [~~and thereafter, 6 percent~~] .0620 of the total gross income from such business in the city;

(F) For the calendar year commencing January 1, 1988 .0615 of the total gross income from such business in the city;

(G) For the calendar year commencing January 1, 1989 .0610 of the total gross income from such business in the city;

(H) For the calendar year commencing January 1, 1990 .0605 of the total gross income from such business in the city;

(I) For the calendar year commencing January 1, 1991 and thereafter .06 of the total gross income from such business in the city.

Section 2. This ordinance shall be in force and effect five days from and after its passage by the City Council and publication as required by law.

Passed by the Kirkland City Council in regular meeting on the 7th day of November, 1983.

Signed in authentication thereof on the 7th day of November, 1983.

[Signature]
MAYOR

ATTEST:

[Signature]
Director of Administration & Finance
(ex officio City Clerk)

APPROVED AS TO FORM:

[Signature]
City Attorney

CERTIFICATION OF POSTING

I hereby certify under penalty of perjury that the foregoing Ordinance was posted on the 8th day of November, 1983, in accordance with the provisions of RCW 35A.12.160 and City of Kirkland Ordinance No. 2600.

[Signature]
CITY CLERK