

ORDINANCE No. 3221

AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING, PURSUANT TO CHAPTER 384 WASHINGTON LAWS OF 1989, A USE TAX OF THE PRIVILEGE OF USING AS A CONSUMER NATURAL OR MANUFACTURED GAS WITHIN THE CITY OF KIRKLAND AND ADDING A NEW CHAPTER TO TITLE 5 OF THE KIRKLAND MUNICIPAL CODE.

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

Section 1. Pursuant to Chapter 384 Washington Laws of 1989, there is hereby levied a use tax for the privilege of using as a consumer natural gas or manufactured gas within the City.

Section 2. The tax imposed by Section 1 of this Ordinance shall be in an amount equal to the value of the article used by the taxpayer, multiplied by the rate or rates established in Section 5.08.050 of the Kirkland Municipal Code on the natural gas business. As used in this Section, "value of the article used" does not include any amounts that are paid for the hire or use of natural gas business in transporting the gas subject to tax under this Section, if those amounts are subject to tax under Section 5.08.050 of the Kirkland Municipal Code.

Section 3. The tax imposed by this Ordinance shall not apply to the use of natural or manufactured gas if the person who sold the gas to the consumer has paid a tax under Section 5.08.050 with respect to the gas for which exemption is sought under this Section.

Section 4. There shall be a credit against the tax levied under this Ordinance in an amount equal to any tax paid by:

(a) The person who sold the gas to the consumer when that tax is a gross receipts tax similar to that imposed pursuant to KMC 5.08.050 by another city or state with respect to the gas for which a credit is sought under this Section, or

(b) The person consuming the gas upon which a use tax similar to the tax imposed by this Ordinance was paid to another city or state with respect to the gas for which credit is sought under this Section.

Section 5. The use tax hereby imposed shall be paid by the consumer.

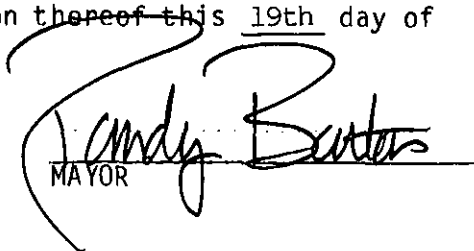
Section 6. The administration and collection of the tax hereby imposed shall, pursuant to RCW 82.14.050, be performed for the City by the Washington State Department of Revenue. The City Manager for the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland that certain "Agreement between the State of Washington Department of Revenue and the City of Kirkland regarding administration and collection of local natural gas use tax." A copy of said Agreement is attached to the original of this Ordinance.

Section 7. The natural gas use tax established by this Ordinance shall be imposed commencing on the 1st day of July, 1990.


Section 8. Except as provided in Section 7, this Ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication pursuant to Section 1.08.017 Kirkland Municipal Code in summary form attached to the original of this Ordinance and by this reference approved by the City Council, as required by law.

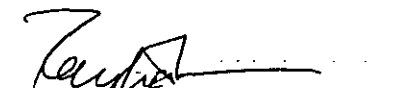
Passed by majority vote of the Kirkland City Council in regular, open meeting this 19th day of June, 1990.

Signed in authentication thereof this 19th day of June, 1990.


MAYOR

ATTEST:


City Clerk
APPROVED AS TO FORM:


City Attorney

AGREEMENT BETWEEN THE STATE OF WASHINGTON, DEPARTMENT OF REVENUE
AND THE CITY OF KIRKLAND REGARDING ADMINISTRATION AND
COLLECTION OF LOCAL NATURAL GAS USE TAX

THIS AGREEMENT, Made this _____ day of _____, 199__,
by and between the State of Washington, Department of Revenue,
hereinafter referred to as the Department, and the above
designated city, hereinafter referred to as the city, WITNESSETH:

WHEREAS, The Legislature of the State of Washington has by
chapter 384, Laws of 1989, authorized cities to impose a local
natural gas use tax, and

WHEREAS, It is provided in section 2 of said act by
reference to RCW 82.14.050, that any city imposing a local
natural gas use tax by ordinance shall, prior to the effective
date thereof, contract with the Department for the administration
and collection of said tax, and

WHEREAS, The city has by ordinance, a copy of which is
attached hereto, elected to impose a natural gas use tax
commencing on the first day of _____, 199__.

NOW, THEREFORE, To effectuate section 2 of the
aforementioned act, the parties hereto agree as follows:

1. The Department shall exclusively perform all functions
incident to the administration and collection of the taxes
imposed by the said ordinance, other than criminal prosecutions.

2. The Department shall retain from the taxes so collected
the amount of two percent thereof as expenses of administration
and collection. Said amount shall be subject to review during
October of each year.

3. The remainder of said taxes so collected shall be
deposited by the Department in the local sales and use tax
account under the custody of the State Treasurer.

4. In carrying out its administration and collection duties
hereunder, the Department shall, insofar as the same are
applicable, apply the administrative provisions contained in
chapters 82.02 and 82.32 RCW, and the Department's rules and
regulations promulgated pursuant to RCW 82.32.300, as the same
exist or may hereafter be amended. The Department shall adopt
additional rules and regulations, in accordance with the State
Administrative Procedure Act, to facilitate the administration
and collection of the local taxes as it may deem necessary or
desirable.

5. The Department shall perform its duties hereunder so that as far as possible the local natural gas use tax adopted by the city shall be administered and collected in a manner which is as consistent and uniform as possible with the state natural gas use tax and facilitates the imposition of the local natural gas use tax upon individual taxable events simultaneously with the imposition of the state natural gas use tax.

6. The city shall have the right from time to time to examine the records of the Department as they concern taxpayers subject to the aforementioned ordinance.

7. The allocation of local natural gas use tax collections among the various cities and counties will be sent by the Department to the State Treasurer within 60 days after the close of the first quarter for which the tax is imposed and thereafter on a monthly basis.

8. All refunds and credits for local natural gas use tax made by the Department shall be charged to the city.

9. The Department shall require redistribution to the affected cities, of any tax, penalty and interest distributed to a city other than the city entitled thereto. Such redistribution shall not be made as to amounts originally distributed earlier than three quarterly periods prior to the quarterly period in which the Department obtains knowledge of the improper distribution.

10. This agreement shall take effect on the _____ day of _____, 199____, and shall thereafter be automatically renewed on December 31 of each year unless one of the parties gives written notice of termination on or before November 1 of each such year.

11. In witness whereof the parties hereto have affixed their signature the day and year first above written.

DEPARTMENT OF REVENUE
STATE OF WASHINGTON

By _____
Director

[CITY]

By _____
Title

PUBLICATION SUMMARY OF ORDINANCE NO. 3221

AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING, PURSUANT TO CHAPTER 384 WASHINGTON LAWS OF 1989, A USE TAX OF THE PRIVILEGE OF USING AS A CONSUMER NATURAL OR MANUFACTURED GAS WITHIN THE CITY OF KIRKLAND AND ADDING A NEW CHAPTER TO TITLE 5 OF THE KIRKLAND MUNICIPAL CODE.

Section 1. Levies a use tax on the privilege of using as a consumer natural gas or manufactured gas.

Section 2. Provides that the rate of the natural gas use tax shall be the same as the rate of tax imposed on the gross revenues of a natural gas business pursuant to Section 5.08.050 Kirkland Municipal Code.

Section 3. Exempts from the natural gas use tax consumers who have purchased natural gas from a supplier subject to the gross revenue tax established in Section 5.08.050 Kirkland Municipal Code.

Section 4. Provides for credits against the natural gas use tax to provide for equality of taxation between intercity, intra-state and interstate transactions.

Section 5. Provides that the use tax shall be paid by the natural gas consumer.

Section 6. Delegates administration and collection of the natural gas use tax to the Washington State Department of Revenue and authorizes the City Manager to sign a tax administration and collection agreement with the Department of Revenue.

Section 7. Provides that the tax imposed will become effective beginning July 1, 1990.

Section 8. Authorizes publication of the Ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary, except as provided in Section 7.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its regular meeting on the 19th day of June 1990.

I certify that the foregoing is a summary of Ordinance No. 3221 approved by the Kirkland City Council for summary publication.


City Clerk