

ORDINANCE 3799

AN ORDINANCE OF THE CITY OF KIRKLAND, WASHINGTON, LEVYING A SPECIAL EXCISE TAX ON CHARGES FOR LODGING AND ESTABLISHING A SPECIAL FUND FOR THAT REVENUE.

Whereas, RCW Chapter 67.28 authorizes the City of Kirkland to impose a lodging tax on all who charge to provide lodging; and

Whereas, on July 3, 2001 the Kirkland City Council established the Lodging Tax Advisory Committee, appointed its members, and submitted a proposal to the Committee for review and comment; and

Whereas, the Lodging Tax Advisory Committee has provided a recommendation to the City for imposition of a one percent lodging tax, following the procedural requirements of RCW Chapter 67.28; and

Whereas, the City Council finds that it is in the public interest to levy such a tax for the purposes provided by statute.

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. The Kirkland Municipal Code is hereby amended by the addition of a new Chapter, Chapter 5.19, to be entitled "Lodging Excise Tax" and to read as follows:

Chapter 5.19

Lodging Excise Tax

5.19.010 Imposition of Tax.

There is hereby levied a lodging excise tax of one percent, collection of which shall begin as soon as possible pursuant to state Department of Revenue requirements, but not later than January 1, 2002, upon the sale of or charge made for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property.

5.19.020 Exceptions.

(a) For the purposes of this Chapter it shall be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or to enjoy the same.

(b) The tax levied under this Chapter shall not apply to emergency lodging provided for homeless persons for a period of less than 30 consecutive days under a shelter voucher program administered by a city, town, or county, or their respective agencies, and groups providing emergency food and shelter services.

#### 5.19.030 Credits.

The tax levied in this Chapter shall be in addition to any license fee or any other tax imposed or levied under any law or any other ordinance of the City; provided that the following credits shall apply:

- (a) Tax collected under this Chapter shall be credited against the amount of sales tax due to the State under RCW Chapter 82.08 on the same sale of lodging.
- (b) Tax collected by the City of Kirkland under this Chapter may be credited against a county tax imposed upon the same taxable event, if the applicable county ordinance or resolution so provides.

#### 5.19.040 Definitions.

The definitions of "selling price", "seller", "buyer", and all other definitions applicable to this Chapter shall be as defined in RCW Chapter 82.8 and RCW Chapter 67.28, and subsequent amendments thereto.

#### 5.19.050 Lodging Tax Fund.

(a) Pursuant to RCW Chapter 67.28, a special fund to be known as the Lodging Tax Fund is hereby established and all taxes collected under this Chapter shall be credited to this special fund.

(b) All revenue collected under this Chapter shall be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities or for other purposes as authorized in RCW Chapter 67.28, or as it is hereafter amended.

(c) The definitions in this Section shall apply throughout this Chapter unless the context clearly requires otherwise:

(1) "Tourism" means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

(2) "Tourism promotion" means activities and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding marketing of special events and festivals designed to attract tourists.

(3) "Tourism-related facility" means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor, and used to support tourism, performing arts, or to accommodate tourist activities.

(4) "Tourist" means a person who travels from a place of residence to a different town, city, county, state or country, for purposes of business, pleasure, recreation, education, arts, heritage, or culture.

#### 5.19.060 Administration.

The state Department of Revenue is designated as the agent of the City for the purposes of collection of the lodging tax and for administrative procedures applicable thereto. All rules, regulations, and procedures adopted by the state Department of Revenue for the administration of the collection of lodging tax on behalf of the City are adopted by reference.

#### 5.19.070 Adoption of Rules.

The director of finance shall have the power to adopt rules and regulations not inconsistent with the terms of this Chapter for carrying out and enforcing the payment, collection and remittance of the tax herein levied such as concerning inspection of records; and a copy of the rules and regulations shall

be on file and available for public examination in the director of finance's office. Failure or refusal to comply with any such rules and regulations is a violation of this Chapter.

5.19.080 Violator Deemed Principal.

Any person who directly or indirectly performs or omits to perform any act in violation of this Chapter, or aids or abets the same, or directly or indirectly counsels, encourages, commands, or otherwise induces another to commit such violation is a principal under the terms of this Chapter and may be proceeded against as such.

5.19.090 Penalty.

It is unlawful for any person, firm, or corporation to violate or fail to comply with any of the provisions of this Chapter. Every person convicted of a violation of any provision of this Chapter shall be guilty of a serious crime, which is a gross misdemeanor. Each day of violation shall be considered a separate offense.

5.19.100 Annual Report.


Pursuant to RCW 67.28.8001, or as otherwise provided by RCW Chapter 67.28, the City shall submit a report to the state Department of Community, Trade, and Economic Development about the rate of lodging tax imposed and about revenue received and projects and activities funded with lodging tax revenue.

Section 2. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

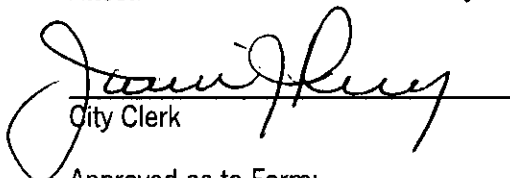
Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 4th day of September, 2001.

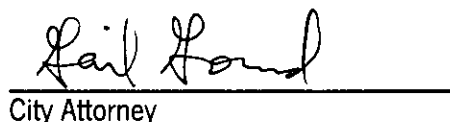
Signed in authentication thereof this 4th day of September, 2001.

  
MAYOR

Attest:

  
City Clerk

Approved as to Form:

  
City Attorney

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