

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO UTILITY OCCUPATION TAX AND AMENDING KMC CHAPTER 5.08.

The City Council of the City of Kirkland do ordain as follows:

Section 1. The title of KMC Chapter 5.08, currently "Business and Occupations Tax", shall be amended to read, "Utility Occupation Tax Code".

Section 2. KMC 5.08.050 is hereby amended to read as follows:

5.08.050 Utility 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 are levied upon and shall be collected from every person engaging within this city in utility occupations ~~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;~~

~~(1)(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 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;~~

~~(2)(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 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;~~

~~(3)(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 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;~~

~~(4)(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;~~

~~(5)(9) Upon every person conducting or operating a storm water and/or surface water utility for any customer, including residential and commercial customers, a fee or tax equal to six percent of the total gross income from such business in the city during the tax year for which the license is required.~~

Section 3. The rate changes made by this ordinance shall go into effect and become the rates to be charged as of January 1, 2003; provided that, if state law allows a particular utility sixty days lead time before a rate change takes effect, then for such utility, the rate change shall go into effect February 15, 2003. The rates set forth in KMC 5.08.050 as of December 1, 2002 shall remain in force and effect until the rates set forth in this ordinance go into effect.

Section 4. 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.

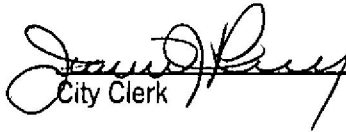
Section 5. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law; provided that this ordinance is subject to the procedures of KMC Chapter 5.10.

Passed by majority vote of the Kirkland City Council in open meeting this 17th day of December, 2002.

Signed in authentication thereof this 17th day of December, 2002.



MAYOR

Attest:



City Clerk

Approved as to Form:



City Attorney
Ord\Utilitytax