

ORDINANCE 4162

AN ORDINANCE OF THE CITY OF KIRKLAND INCREASING THE UTILITY TAX ON CERTAIN UTILITIES TO PROVIDE REVENUE FOR CITY SERVICES; AMENDING KIRKLAND MUNICIPAL CODE CHAPTER 5.08 AND ESTABLISHING EFFECTIVE DATES.

WHEREAS, during the 2009-2010 biennial budget process the City Council will need to reduce services, raise revenue, and use reserves to balance the budget. The City Council is implementing a 3% increase in utility taxes on water, sewer, and solid waste to assist in balancing the budget; and

WHEREAS, the City has availed itself of all appropriate revenue sources currently authorized; and

WHEREAS, staff presented potential new revenue sources the City Council could use to balance the budget; and

WHEREAS, the City Council has determined that the public interest is best served by the implementation of a utility tax increase, on certain utilities;

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

Section 1. Kirkland Municipal Code Section 5.08.050 is hereby amended as follows:

5.08.050 Utility occupations subject to tax—Amount.

There are levied upon and shall be collected from every person engaging within this city in utility occupations 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 services 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;

(2) Upon every person engaged in or carrying on the business of selling or furnishing natural or manufactured gas 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;

(3) Upon every person engaged in or carrying on the business of selling or furnishing electric light and power or electrical energy 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;

(4) Upon every person engaged in or carrying on the business of furnishing water distribution and/or sanitary collection services including both sewage and refuse a fee or tax equal to ~~seven~~ ten 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;

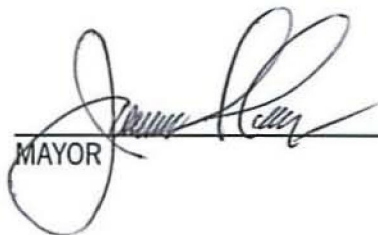
(5) Upon every person conducting or operating a storm water and/or surface water utility for any customer, including residential and commercial customers, a fee or tax equal to seven and one-half percent of the total gross income from such business in the city during the tax year for which the license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

(6) Upon every person engaged in or carrying on the business of providing cable service, a fee or tax equal to six percent of the total gross income from such business in the city during each tax year.

Section 2. This ordinance is effective five days from and after its passage by the Kirkland City Council and publication, as required by law. The tax increase on the business of furnishing water and/or sewer and refuse collection services set forth in Kirkland Municipal Code Section 5.08.050(4) shall take effect on January 1, 2009.

Passed by majority vote of the Kirkland City Council in open meeting this 16th day of December, 2008.

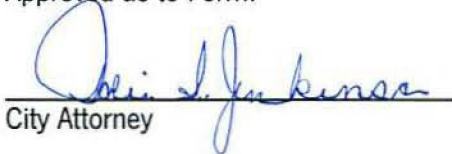
Signed in authentication thereof this 16th day of December, 2008.


MAYOR

Attest:


City Clerk

Approved as to Form:


City Attorney