

# City of Tukwila

Washington

Ordinance No. 2730

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON; AMENDING AND REPEALING VARIOUS ORDINANCES AS CODIFIED IN VARIOUS SECTIONS OF TUKWILA MUNICIPAL CODE (TMC) CHAPTERS 3.08, "GAMBLING ACTIVITIES TAX," 3.20, "ADMISSIONS AND ENTERTAINMENT TAX," 3.27, "BUSINESS AND OCCUPATION ADMINISTRATIVE PROVISIONS," 3.48, "COMMERCIAL PARKING TAX," 3.50, "UTILITY TAX," AND 3.51, "SOLID WASTE UTILITY TAX"; RETITLING TMC CHAPTERS 3.20 AND 3.27; ESTABLISHING AND APPLYING ADMINISTRATIVE AND OTHER PROVISIONS UNIFORMLY AMONG THE VARIOUS BUSINESS TAXES; CLARIFYING THE ACTIVITIES SUBJECT TO ADMISSIONS TAX, BUSINESS AND OCCUPATION TAX, PARKING TAX, AND UTILITY TAX; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, on November 28, 2022, the City Council adopted Ordinance No. 2689 establishing a business and occupation (B&O) tax on business activities within the City; and

**WHEREAS**, on December 4, 2023, the City Council adopted Ordinance No. 2727, establishing additional administrative provisions that aid the City in administering and enforcing the B&O tax; and

**WHEREAS**, the City imposes other business taxes, including a tax on gambling activities, admission and entertainment activities, commercial parking, and utilities, for which applying the same administrative provisions would serve to meet the City's own objectives and equitably and consistently administer these taxes; and

**WHEREAS**, the City seeks to exempt all public utility activities that are subject to a utility tax or a franchise fee within the City from the B&O tax levied in Tukwila Municipal Code (TMC) Chapter 3.26, "Business and Occupation Tax," thereby establishing uniformity with other Washington cities; and

**WHEREAS**, the City seeks to clarify the activities to which the admission and entertainment tax, commercial parking tax, and telephone utility tax applies within TMC Chapters 3.20, 3.48, and 3.50, respectively; and

**WHEREAS**, the City seeks to develop consistency among the various tax provisions in TMC Title 3, "Revenue and Finance," to enhance clarity and consistency of the tax requirements;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:**

**Section 1. Regulations Established.** A new TMC Section 3.08.015 is hereby established to read as follows:

**3.08.015 General Administrative Provisions Apply**

The administrative provisions contained in TMC Chapter 3.27 shall be fully applicable to the provisions of this chapter, except as expressly stated to the contrary herein. The administration and collection of tax imposed by this chapter shall be by the Finance Director and in strict compliance with the rules and regulations, as may be adopted or amended by the Washington State Gambling Commission from time to time.

**Section 2. TMC Section 3.08.020 Amended.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.020, "License Required – Nuisance Designated," is hereby amended to read as follows:

**3.08.020 Filing Declaration of Intent**

For the purpose of identifying who shall be subject to the tax imposed by this chapter, any person, association, or organization intending to conduct or operate any gambling activity as authorized by chapter 9.46 RCW, as now existing and hereafter amended, shall, prior to commencement of any such activity, file with the Finance Director a sworn declaration of intent to conduct or operate such activity, together with a true and correct copy of the license issued by the Washington State Gambling Commission in accordance with chapter 9.46 RCW.

**Section 3. Regulations Established.** A new TMC Section 3.08.025 is hereby established to read as follows:

**3.08.025 Definitions**

The definitions contained in TMC Chapter 3.27 shall have full force and application with respect to taxes imposed under the provisions of this chapter, except as expressly stated to the contrary herein or defined otherwise in chapter 9.46 RCW.

For purposes of this chapter, "social card game business" means any premises or facility open to the public and engaged in the business of operating a social card room for a period of 30 days. For purposes of this section, the 30 days are not required to be consecutive days. After 30 days of operation, the tax rate provided in TMC Section

3.08.030(4) applies and that rate shall be paid thereafter beginning with the following calendar quarter.

**Section 4. TMC Section 3.08.030 Amended.** Ordinance Nos. 1809 §1 (part), 2349 §2, and 2590 §1 (part), as codified at TMC Section 3.08.030, "Tax Rates," is hereby amended to read as follows:

**3.08.030 Tax Levied**

A. Pursuant to RCW 9.46.110, as it exists or may hereafter be amended, there is levied upon all persons, associations and organizations operating with the City who have been duly licensed by the Washington State Gambling Commission, as authorized by law, the following tax:

1. For bingo games and raffles, a tax rate of five percent (5%) of the gross receipts received therefrom, less the amount awarded as cash or merchandise prizes.

2. For amusement games, a tax rate of two percent (2%) of the gross receipts received therefrom, less the amount awarded as prizes.

3. For the conduct or operation of any punchboards or pulltabs, a tax rate of five percent (5%) of the gross receipts from such activities for commercial stimulant operators (taverns, restaurants, etc.); and a tax rate of ten percent (10%) on the gross receipts, less the amount awarded as prizes for charitable or nonprofit organizations.

4. For the conduct or operation of a social card game business, a tax rate of eleven percent (11%) of the gross receipts received therefrom; provided that when the number of card rooms in the City exceeds five, the tax rate shall increase to fifteen percent (15%) of the gross receipts received therefrom. Additionally, when the number of card rooms exceeds six, the tax rate shall increase to twenty percent (20%) of the gross receipts received therefrom.

**Section 5. Regulations Established.** A new TMC Section 3.08.035 is hereby established to read as follows:

**3.08.035 Exemptions – Nonprofit Organizations**

A. No tax shall be imposed under the authority of TMC Chapter 3.08 on bingo or raffles when such activities or any combination thereof are conducted by any bona fide charitable or nonprofit organization as defined in RCW 9.46.0209, which organization has no paid or management personnel, and has gross income from bingo and raffles, or any combination thereof, not exceeding \$5,000 per year, less the amount awarded for, or as prizes.

B. The Director may waive the tax due each quarter from a bona fide charitable or nonprofit organization as defined in RCW 9.46.0209 if the charitable or nonprofit organization demonstrates by clear and convincing documentation that an amount equal to at least 70 percent of the tax due the City, as computed pursuant to TMC Section 3.08.030, will be donated to charitable nonprofit organizations serving the City whose purpose is to provide programs or facilities for meeting the basic health, education, welfare, or other needs of the residents of the City. Failure to donate at least 70 percent

of the tax due the City will result in revocation of the waiver and the disqualification of the bona fide charitable or nonprofit organization to receive a waiver for future tax payments.

**Section 6. TMC Section 3.08.050 Amended.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.050, "Administration and Collection of Tax," is hereby amended to read as follows:

**3.08.050 Tax Payment – Activity Report**

A. The tax imposed by this chapter shall be due and payable in quarterly installments, and remittance therefor, together with the return forms as prescribed by the Director, shall be made on or before the last day of the month following the quarterly period in which tax is accrued.

B. Every holder of a license issued by the Washington State Gambling Commission who conducts any taxable gambling activities within the City shall provide to the City a true copy of each periodic activity report, license report, or amendments thereto required to be filed with the State Gambling Commission pursuant to Chapter 230-05 WAC. Such information shall be provided to the City no later than the date of filing required by the State Gambling Commission.

**Section 7. Repealer.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.060, "Declaration and Statements Required to be Filed," is hereby repealed, thereby eliminating this section:

**Section 8. Repealer.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.070, "Filing of Application with Finance Director," is hereby repealed, thereby eliminating this section.

**Section 9. Repealer.** Ordinance Nos. 1809 §1 (part), 2323 §3, and 2349 §3, as codified at TMC Section 3.08.080, "Payment of Tax – Penalty for Late Payments," is hereby repealed, thereby eliminating this section.

**Section 10. TMC Section 3.08.090 Amended.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.090, "Unlawful Acts Designated – Liability," is hereby amended to read as follows:

**3.08.090 Unlawful Acts Designated – Liability – Tax Constitutes Debt**

A. Any person, association or organization that shall fail, neglect or refuse to pay the tax required by this chapter, or that shall willfully disobey any rule or regulation promulgated by the Finance Director under this chapter, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment in the City jail for not more than 90 days or by a fine of not more than \$1,000.00 or both. Any such fine shall be in addition to any tax, penalties, and interest required.

B. All officers, directors and managers of any organization or association conducting gambling activities shall be jointly and severally liable for the payment of said tax, penalties, and interest for the payment of any fine imposed under this chapter.

C. Any tax due and unpaid under this chapter and all penalties and/or interest shall constitute a debt to the City. The City may use a collection agency to collect outstanding debts, or it may seek collection by court proceedings, which remedies shall be in addition to all other existing remedies. Furthermore, pursuant to RCW 9.46.110(4), taxes imposed under this chapter and associated penalties and/or interest become a lien upon personal and real property used in the gambling activity in the same manner as provided for under RCW 84.60.010. The lien shall attach on the date the tax becomes due and shall relate back and have priority against real and personal property to the same extent as ad valorem taxes.

**Section 11. Repealer.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.100, “Finance Director – Powers and Duties,” is hereby repealed, thereby eliminating this section.

**Section 12. TMC Section 3.08.110 Amended.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.110, “Enforcement Authority – Access to Financial Records,” is hereby amended to read as follows:

**3.08.110 Enforcement Authority – Access to Financial Records**

A. The Mayor, Finance Director, and Chief of Police shall have the power to enter into contracts with other municipalities and/or State agencies for the enforcement of applicable State laws, rules and regulations and City ordinances relating to all gambling activities.

B. It shall be the responsibility of each person, association, or organization conducting any gambling activity as licensed by the Washington State Gambling Commission and taxed under the provisions of this chapter, to maintain and provide access at all reasonable times to all books, records, and information required in order to determine full compliance with this chapter and all rules and regulations adopted or hereafter adopted by the State of Washington Gambling Commission. Such records shall be kept and maintained for a period of not less than five years. In addition, all information and items required by the Washington State Gambling Commission, and the United States Internal Revenue Service respecting taxation, shall be kept and retained for the periods required by those agencies.

C. The Director and Chief of the Police Department may establish such further and additional reporting requirements of any person, association or organization authorized to conduct gambling activities in the City which are reasonably intended to provide information to the City regarding the conduct of said activities.

**Section 13. TMC Section 3.08.130 Amended.** Ordinance No. 1809 §1 (part), as codified at TMC Section 3.08.130, “List of Licenses to be Kept,” is hereby amended to read as follows:

**3.08.130 List of Licensees to be Kept**

It shall be the responsibility of the Finance Director to keep on file a complete and up-to-date list of the licensees authorized by the Washington State Gambling Commission

who operate within the City, which information shall include the name, address, type of license and license number of each such licensee. Nothing in this provision shall require the City to seek or obtain licenses from the Gambling Commission.

**Section 14. Chapter Title.** Ordinance No. 1733, as codified at TMC Chapter 3.20, "Admissions and Entertainment Tax," is hereby amended to retitle the chapter as follows:

**CHAPTER 3.20  
ADMISSIONS TAX**

**Sections:**

- 3.20.005 General Administrative Provisions Apply
- 3.20.010 Definitions
- 3.20.020 Tax Levied – Measure of Tax
- 3.20.025 Exemptions
- 3.20.035 Tax Payment and Collection
- 3.20.060 Violations

**Section 15. Regulations Established.** A new TMC Section 3.20.005 is hereby established to read as follows:

**3.20.005 General Administrative Provisions Apply**

The administrative provisions contained in TMC Chapter 3.27 shall be fully applicable to the provisions of this chapter, except as expressly stated to the contrary herein.

**Section 16. TMC Section 3.20.010 Amended.** Ordinance Nos. 1733 §1 and 2080 §1, as codified at TMC Section 3.20.010, "Admission Charge – Definitions," is hereby amended to read as follows:

**3.20.010 Definitions**

A. "Admission charge," in addition to its usual and ordinary meaning, means a monetary charge for entering a premise or location, including but not limited to, the following:

1. A charge made for season tickets or subscriptions;
2. A cover charge or a charge made for use of seats or tables, reserved or otherwise, and similar accommodations.
3. A charge made for rental or use of equipment or facilities for purposes of recreation or amusement and, where the rental of the equipment or facilities is necessary to the enjoyment of the privilege for which general admission is charged, the combined charge shall be considered as the admission charge.
4. A charge made for admission to any theater, dance hall, cabaret, tavern, private club, auditorium, stadium, athletic pavilion or field, circus, side show, outdoor amusement park or any similar place; and includes equipment to which persons are admitted for purposes of recreation including, but not limited to, merry-go-rounds, ferris wheels, dodge 'ems, roller coasters, go-carts and other rides, whether such rides are restricted to tracks or not.

5. A charge made for entrance to any building, enclosure or area in which there is a golf driving range, miniature golf course, short nine, or other golf course, or to gain entrance to such course itself, or for the use of the facilities thereof, or any rental paid by the person paying for such entry for the use of equipment and facilities supplied him and appropriate to the enjoyment of the privilege for which the admission is charged, or the aggregate thereof.

B. "Cabaret" shall have the same meaning as defined in TMC Section 5.08.010.

C. "Governmental entity" means any federal, state, or local government, or branch thereof, also includes any public facility or any public facility, service, or utility district that is exempt from federal income taxation pursuant to Section 501(c)(1) or (3) of the Internal Revenue Code, as adopted or as amended.

D. "Nonprofit organization" means an organization that is exempt from federal income tax under Section 501(c)(3), (4), or (6) of the Internal Revenue Code, as adopted or amended, or is specifically exempted from the requirement to apply for tax exempt status under Section 501(c)(3).

E. "Secondary school" or "elementary school" means any public or private primary school, middle school, junior high school, high school, or any accredited college, junior college, university, or the recognized student body association thereof.

**Section 17. TMC Section 3.20.020 Amended.** Ordinance Nos. 1733 §2, 2080 §2, and 2674 §1, as codified at TMC Section 3.20.020, "Admissions Tax Levied," is hereby amended to read as follows:

**3.20.020 Tax Levied– Measure of Tax**

A. There is levied and shall be collected a tax from every person, without regard to age, who pays an admission charge to any place within city limits. The amount of tax charged on admission charges shall be equal to the admission charge multiplied by the rate of five percent.

B. The admission charge to any cabaret or private club conducting cabaret activities, or any similar place of entertainment, is deemed to be the total amount charged as an admission charge, and/or a charge made for the use of seats and tables reserved or otherwise, and other similar accommodations. A participation cost or minimum purchase of food and/or beverages in lieu of a cover charge is deemed a taxable admission charge.

C. When entertainment or admission to an event or activity accompanies the sale of food and/or beverages, merchandise, lodging, or services, admission taxes are measured by the total price of the combined transaction, unless the admission price for the entertainment, amusement, rental, or use of equipment is printed separately on the ticket, invitation, or other signage and reflects its true market value as an independent element.

D. If the ticket price is accompanied by a service charge, mailing fee or other ancillary payment, per ticket and/or per order, the admission tax shall be based upon the

total sum of the admission price plus any such surcharge(s), whether or not they are printed on the ticket order.

**Section 18. Regulations Established.** A new TMC Section 3.20.025 is hereby established to read as follows:

**3.20.025 Exemptions**

A. The admissions tax imposed in this chapter shall not apply to anyone paying an admission charge as follows:

1. To an elementary school, secondary school, governmental entity, or nonprofit organization. However, governmental activities operated in the manner of a separate business enterprise shall not be exempt from this tax. By way of example and not limitation, a business enterprise subject to the admissions tax imposed in this chapter could include an event center or golf course, if operated as a business activity in a separate fund; or

2. To actively participate in bowling or to rent bowling shoes or equipment.

3. Beginning in the 2019 - 2020 budget biennium, the City of Tukwila's General Fund will forego collection of admissions tax from Foster Golf Course until legislative action is taken to reinstate said collection and, further, admissions tax revenues collected by the Foster Golf Course shall be allocated to the Foster Golf Link Fund until legislative action is taken to reallocate such revenues to the General Fund.

**Section 19. Repealer.** Ordinance No. 1733 §3, as codified at TMC Section 3.20.030, "Determination of Amount," is hereby repealed, thereby eliminating this section.

**Section 20. Regulations Established.** A new TMC Section 3.20.035 is hereby established to read as follows:

**3.20.035 Tax Payment and Collection**

A. The tax imposed by this chapter shall be due and payable in monthly installments, and remittance therefor, together with the return forms as prescribed by the Director, shall be made by the last day of the month following the end of the monthly period in which tax is accrued.

B. The tax levied in this chapter shall be paid by the person paying the admission charge and remitted by the person to whom the same is paid. The tax collected under this chapter shall be deemed held in trust by the person required to collect the same until the taxes are remitted to the Director under this section. Persons failing to collect the admission tax, or who collects the tax but fails to remit it to the Director, shall be liable to the City for the amount of such tax and associated penalties and/or interest due.

C. If the amount of admissions tax is not separately stated from the admission charge on all instruments evidencing the admission charge, a sign shall be posted in a conspicuous place on the entrance or ticket office stating that a City admissions tax of five percent is included in the admission charge. Except when the requirements of this



subsection are satisfied, it shall be conclusively presumed that the admission charge does not include the admission tax levied in this chapter.

D. Whenever any theater, circus, show, exhibition, entertainment or amusement makes an admission charge which is subject to the tax herein levied, and the same is of a temporary or transitory nature or there exists a reasonable question of financial responsibility, of which the Director shall be the judge, the report and remittance of the admissions tax may be required immediately upon the collection of the same, at the conclusion of the performance or exhibition, or at the conclusion of the series of performances or exhibitions.

**Section 21. Repealer.** Ordinance No. 1733 §4, as codified at TMC Section 3.20.040, "Collection – Remittance to Finance Director," is hereby repealed, thereby eliminating this section.

**Section 22. Repealer.** Ordinance No. 1733 §5, as codified at TMC Section 3.20.050, "Application and Reporting," is hereby repealed, thereby eliminating this section.

**Section 23. TMC Section 3.26.090 Amended.** Ordinance Nos. 2689 §12 and 2727 §2, as codified at TMC Section 3.26.090, "Exemptions," **subparagraph A**, is hereby amended to read as follows:

**3.26.090 Exemptions**

A. **Gross receipts taxed under other Tukwila Municipal Code sections.** This chapter shall not apply to any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of TMC Chapter 3.08 (Gambling Activities Tax), TMC Chapter 3.50 (Utility Tax) or TMC Chapter 3.51 (Solid Waste Utility Tax), or to public utility activities subject to a franchise fee under a franchise agreement with the City.

**Section 24. Chapter Title.** Ordinance No. 2689, as codified at TMC Chapter 3.27, "Business and Occupation Tax Administrative Provisions," is hereby amended to retitle the chapter as follows:

**CHAPTER 3.27  
TAX ADMINISTRATIVE PROVISIONS**

**Sections:**

- 3.27.010 Purpose
- 3.27.015 Application of Chapter Stated
- 3.27.020 Definitions
- 3.27.021 Definitions – References to Chapter 82.32 RCW
- 3.27.025 Registration/License Requirements
- 3.27.040 When Due and Payable – Reporting Periods – Monthly, Quarterly, and Annual Returns –Threshold Provisions or Relief from Filing Requirements – Computing Time Periods – Failure to File Returns

- 3.27.050 Payment Methods – Mailing Returns or Remittances – Time Extension – Deposits – Recording Payments – Payment Must Accompany Return – NSF Checks
- 3.27.060 Records to be Preserved – Examination – Estoppel to Question Assessment
- 3.27.070 Accounting Methods
- 3.27.080 Public Work Contracts – Payment of Fee and Tax Before Final Payment for Work
- 3.27.090 Underpayment of Tax, Interest, or Penalty – Interest
- 3.27.095 Time in Which Assessment May Be Made
- 3.27.100 Over Payment of Tax, Penalty, or Interest – Credit or Refund – Interest Rate – Statute of Limitations
- 3.27.110 Late Payment – Disregard of Written Instructions – Evasion – Penalties
- 3.27.120 Cancellation of Penalties
- 3.27.130 Taxpayer Quitting Business – Liability of Successor
- 3.27.140 Administrative Appeal
- 3.27.145 Judicial Review of Administrative Appeal Decision
- 3.27.160 Stakeholder Involvement
- 3.27.170 Review and Reporting Provisions
- 3.27.180 Director to Make Rules
- 3.27.190 Ancillary Allocation Authority of Director
- 3.27.200 Mailing of Notices
- 3.27.210 Tax Declared Additional
- 3.27.220 Public Disclosure – Confidentiality – Information Sharing
- 3.27.230 Tax Constitutes Debt
- 3.27.240 Unlawful Actions – Violations – Penalties
- 3.27.245 Suspension or Revocation of Business License
- 3.27.250 Closing Agreement Provisions
- 3.27.255 Charge-Off of Uncollectible Taxes
- 3.27.260 Severability

**Section 25. TMC Section 3.27.010 Amended.** Ordinance No. 2689 §17, as codified at TMC Section 3.27.010, “Purpose,” is hereby amended to read as follows:

**3.27.010 Purpose**

The purpose of this Chapter is to provide administrative guidelines and provisions to administer and enforce the City’s tax codes.

**Section 26. TMC Section 3.27.015 Amended.** Ordinance No. 2689 §18, as codified at TMC Section 3.27.015, “Application of Chapter Stated,” is hereby amended to read as follows:

**3.27.015 Application of Chapter Stated**

The provisions of this Chapter shall apply with respect to the taxes imposed under TMC Chapter 3.08 (Gambling Activities Tax), TMC Chapter 3.20 (Admissions Tax), TMC

Chapter 3.26 (Business and Occupation Tax), TMC Chapter 3.48 (Commercial Parking Tax), TMC Chapter 3.50 (Utility Tax), and TMC Chapter 3.51 (Solid Waste Utility Tax), and under other titles, chapters, and sections in such manner and to such extent as indicated in each such title, chapter or section.

**Section 27. Repealer.** Ordinance No. 2689 §34, as codified at TMC Section 3.27.150, “Hardship Appeal Procedure,” is hereby repealed, thereby eliminating this section.

**Section 28. TMC Section 3.27.245 Amended.** Ordinance No. 2727 §14, as codified at TMC Section 3.27.245, “Suspension or Revocation of Business License,” is hereby amended to read as follows:

### **3.27.245 Suspension or revocation of business license**

The Director shall have the power and authority to suspend or revoke any license issued under the provisions of TMC 5.04 if the licensee has failed to comply with the provisions of any tax imposed by any of the chapters within this title and administered by this chapter. Such suspension or revocation shall follow the same procedure as provided in TMC Chapter 5.04.

**Section 29. Regulations Established.** A new TMC Section 3.48.005 is hereby established to read as follows:

### **3.48.005 General Administrative Provisions Apply**

The administrative provisions contained in TMC Chapter 3.27 shall be fully applicable to the provisions of this chapter, except as expressly stated to the contrary herein.

**Section 30. TMC Section 3.48.010 Amended.** Ordinance No. 2586 §3, as codified at TMC Section 3.48.010, “Definitions,” is hereby amended to read as follows:

### **3.48.010 Definitions**

The following definitions shall apply throughout this chapter:

1. “*Commercial parking business*” means the ownership, lease, operation or management of a commercial parking lot in which fees are charged for the act or privilege of parking motor vehicles.

2. “*Commercial parking lot*” means a covered or uncovered area with stalls for the purpose of parking motor vehicles.

3. “*Commercial parking*” means any transaction or arrangement whereby a vehicle is parked and a fee is charged for parking or allowed the vehicle to be parked, irrespective of the length of time the vehicle is parked. Commercial parking shall include instances where a fee is charged specifically for the parking of a vehicle. This shall include instances where a vehicle is parked or allowed to be parked, and a separate fee is charged in connection with other services. Commercial parking shall also include instances such as:

A. When a guest of a hotel, motel or other lodging establishment is allowed to park or leave his/her vehicle before or after his or her lodging or business stay there so

that, for a fee, the guest's vehicle is parked at the hotel, motel or other lodging establishment during days when the guest is no longer staying there.

B. When a guest or visitor of a hotel, motel or other lodging establishment is allowed to park or leave his/her vehicle before, during, or after his or her lodging or business stay at the hotel, motel or other lodging establishment.

C. Where a vehicle is parked or allowed to be parked, and where a fee would be charged for the parking unless validated by a business because a customer makes a purchase or otherwise transacts business for which a fee is paid.

4. "Parking tax" means the commercial parking tax imposed by this chapter.

**Section 31. TMC Section 3.48.020 Amended.** Ordinance No. 2586 §4, as codified at TMC Section 3.48.020, "Exemptions," is hereby amended to read as follows:

### **3.48.020 Exemptions**

The following exemptions to the commercial parking tax apply:

1. **Local employee parking**, with parking spaces provided or reserved for use by an employee who works within the City, where the employee parks his or her vehicle in connection with his or her employment, without regard to whether arrangements or payment for the parking is made by the employee or by his or her employer.

2. **Apartments and condominiums**, where parking is provided in conjunction with arrangements for residential living spaces.

3. **Offices, retail establishments, warehouses and industrial buildings**, where parking is provided in association with tenant arrangements for the use of such facilities.

4. The tax shall not be levied on vehicles with official state disabled person decals, government vehicles that are exempt from tax, and tax-exempt carpool vehicles.

**Section 32. TMC Section 3.48.030 Amended.** Ordinance No. 2586 §5, as codified at TMC Section 3.48.030, "Local Option Transportation Tax Imposed," is hereby amended to read as follows:

### **3.48.030 Local Option Transportation Tax Imposed**

Pursuant to RCW 82.80.030, there is imposed on every person a tax for the act or privilege of parking a motor vehicle in a commercial parking lot within the City that is operated by a commercial parking business. The amount of parking tax shall be equal to the commercial parking fee multiplied by the parking tax rate.

1. For commercial parking businesses operated by nonprofit organizations on City-owned property, the parking tax shall be imposed at five percent.

2. For all other commercial parking businesses, the parking tax rate is imposed at five percent. Effective January 1, 2019, the parking tax rate is imposed at eight percent.

Effective January 1, 2020, the parking tax rate is imposed at 11 percent. Effective January 1, 2021, the parking tax rate is imposed at 15 percent.

**Section 33. Repealer.** Ordinance No. 2586 §6, as codified at TMC Section 3.48.040, “Tax in Addition to Other License Fees or Taxes,” is hereby repealed, thereby eliminating this section.

**Section 34. Repealer.** Ordinance No. 2586 §7, as codified at TMC Section 3.48.050, “Exempt Vehicles,” is hereby repealed, thereby eliminating this section.

**Section 35. TMC Section 3.48.060 Amended.** Ordinance No. 2586 §8, as codified at TMC Section 3.48.060, “Taxes Collected by Business Operators,” is hereby amended to read as follows:

### **3.48.060 Tax Payment and Collection**

A. The tax imposed by this chapter shall be due and payable in monthly installments, and remittance therefor, together with return forms as prescribed by the Director, shall be made on or before the last day of the month following the end of the monthly period during which the taxes were collected.

B. The tax levied in this chapter shall be paid by the person paying the commercial parking charge and remitted by the person to whom the same is paid. The tax collected under this chapter shall be deemed held in trust by the person required to collect the same until the taxes are remitted to the Director under this section. Persons failing to collect the parking tax, or who collects the tax but fails to remit it to the Director, shall be liable to the City for the amount of such tax and associated penalties and/or interest due.

C. If the amount of parking tax is not separately stated from the commercial parking fee on all instruments evidencing the parking fee, a sign shall be posted in a conspicuous place on the entrance or where parking fees are advertised stating that a City parking tax of five percent is included in the parking fee. Except when the requirements of this subsection are satisfied, it shall be conclusively presumed that the commercial parking fee does not include the parking tax levied in this chapter.

**Section 36. Regulations Repealed.** Ordinance No. 2586 §9, as codified at TMC Section 3.48.070, “Late Penalty,” is hereby repealed, thereby eliminating this section.

**Section 37. Repealer.** Ordinance No. 2586 §13, as codified at TMC Section 3.48.110, “Appeal Procedures,” is hereby repealed, thereby eliminating this section.

**Section 38. Regulations Established.** A new TMC Section 3.50.015 is hereby established to read as follows:

### **3.50.015 General Administrative Provisions Apply**

The administrative provisions contained in TMC Chapter 3.27 shall be fully applicable to the provisions of this chapter except as expressly stated to the contrary herein.

**Section 39. TMC Section 3.50.030 Amended.** Ordinance No. 1998 §3, as codified at TMC Section 3.50.030, "Definitions," is hereby amended to read as follows:

**3.50.030 Definitions**

The definitions contained in chapter 3.27 TMC shall have full force and application with respect to taxes imposed under the provisions of this chapter except as expressly stated to the contrary herein.

As used in this chapter, unless the context or subject matter clearly requires otherwise, the words or phrases defined in this section shall have the indicated meanings.

1. "Cable television services" means the transmission of video programming and associated non-video signals to subscribers together with subscriber interaction, if any, which is provided in connection with video programming.

2. "Cellular telephone service" means any two-way voice and data telephone or similar communications system based in whole or in substantial part on wireless radio communications, including cellular mobile service, and which is not subject to regulation by the Washington State Utilities and Transportation Commission. Cellular mobile service includes other wireless radio communications services including specialized mobile radio, personal communications services, and any other evolving wireless radio communications technology that accomplishes a purpose substantially similar to cellular mobile service. Cellular telephone service is included within the definition of "telephone business" for the purposes of this chapter.

3. "Competitive telephone service" means the providing by any person of telecommunications equipment or apparatus, directory advertising and lease of telephone street directories, or service related to that equipment or apparatus such as repair or maintenance service, if the equipment or apparatus is of a type which may be provided by persons not subject to regulation as telephone companies under Title 80 RCW, and for which a separate charge is made. Transmission of communication through cellular telephones is classified as "telephone business" rather than "competitive telephone service."

4. "Gross income" means the value proceeding or accruing from the performance of the particular business involved, including gross proceeds of sales, compensation for the rendition of services, and receipts (including all sums earned or charged, whether received or not) by reason of investment in the business engaged in (excluding rentals, receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages or other evidences of indebtedness, or stocks and the like), all without any deduction on account of the cost of property sold, the cost of materials used, labor costs, taxes, interest or discount paid, delivery costs or any expenses whatsoever, and without any deduction on account of losses.

5. "Pager service" means service provided by means of an electronic device which has the ability to send or receive voice or digital messages transmitted through the local telephone network, via satellite or any other form of voice or data transmission. "Pager service" is included within the definition of "telephone business" for the purposes of this chapter.

6. Telephone business” means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. It includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice over internet protocol services or is classified by the Federal Communications Commission as enhanced or value added. Telephone business also includes ancillary services that are associated with or incidental to the provision of telecommunication services including, but not limited to, conference bridging, detailed telecommunications billing, directory assistance, vertical service, or voice mail services as defined in RCW 82.04.065. “Telephone business” also includes the providing by any person of access to a local telephone network, local telephone network switching service, toll service, or coin telephone services, or providing telephonic, video, data, pager or similar communication or transmission for hire, via a local telephone network, toll line or channel, cable, microwave, or similar communication or transmission system. The term includes cooperative or farmer line telephone companies or associations operating an exchange. The term also includes the provision of transmission to and from the site of an internet provider via a local telephone network, toll line or channel, cable, microwave, or similar communication or transmission system. “Telephone business” does not include the providing of competitive telephone service, data processing, cable television service, or other providing of broadcast services by radio or television stations.

**Section 40. TMC Section 3.50.040 Amended.** Ordinance No. 1998 §4, as codified at TMC Section 3.50.040, “Occupations Subject to Tax – Amount,” is hereby amended to read as follows:

**3.50.040 Occupations Subject to Tax - Amount**

There is levied upon, and shall be collected from every person engaged in certain business activities within the City, taxes in the amount to be determined by the application of rates given against gross income as follows:

1. Upon a person engaged in or carrying on the business of selling, furnishing, or transmitting electric energy, a tax equal to 6 percent of the total gross income from such business in the City during the period for which the tax is due;
2. Upon a person engaged in or carrying on the business of selling, furnishing, or transmitting gas, whether natural or manufactured, a tax equal to 6 percent of the total gross income from such business in the City during the period for which the tax is due;
3. Upon a person engaged in or carrying on any telephone business a tax equal to 6 percent of the total gross income, including income from intrastate long distance toll service, from such business in the City during the period for which the tax is due;
4. Upon a person engaged in or carrying on the business of selling, furnishing or transmitting cable television service, a tax equal to 6 percent of the total gross income from such business in the City during the period for which the tax is due.

**Section 41. TMC Section 3.50.060 Amended.** Ordinance No. 1998 §6, as codified at TMC Section 3.50.060, "Exceptions and Deductions," is hereby amended to read as follows:

**3.50.060 Deductions**

In computing the tax levied in this chapter, there shall be deducted from the gross income the following items:

1. That part of the total gross income derived from business which the City is prohibited from taxing under the constitution or laws of the United States and the constitution or laws of the State of Washington.
2. That portion of gross income derived by a taxpayer engaging in a telephone business which represents charges to another telecommunications company, as defined in RCW 80.04.010, for connecting fees, switching charges, or carrier access charges relating to intrastate toll telephone services; or for access to, or charges for, interstate services; or charges for telephone service that is purchased for the purpose of resale.
3. Adjustments made to a billing or customer account in order to reverse a billing or charge that was not properly a debt of the customer.
4. Cash discounts allowed and actually granted to customers of the taxpayer during the tax year.
5. The amount of credit losses and uncollectible debts actually sustained by taxpayers whose regular books are kept upon an accrual basis.

**Section 42. Regulations Established.** A new TMC Section 3.50.065 is hereby established to read as follows:

**3.50.065 Allocation of Income – Cellular Telephone Service**

When determining total gross income from cellular telephone service in the City for purposes of Section 3.50.040(3), "gross income" shall include all income from cellular telephone service (including roaming charges incurred outside this state) provided to customers whose place of primary use is in the City, regardless of the location of the facilities used to provide the service. The customer's "place of primary use" is, with respect to each telephone: (1) the customer's address shown on the telephone service company's records; or (2) the customer's place of residence if the telephone is for personal use, and in both cases must be located within the licensed service area of the home service provider. Roaming charges and cellular telephone charges to customers whose place of primary use is outside the City will not be taxable even though those cellular services are provided within the City.

There is a rebuttable presumption that the address shown on the cellular telephone service company's records is the place of primary use and is accurate. If the cellular telephone service company knows or should have known that a customer's place of primary use address for a telephone is within the City, then the gross income from cellular telephone service provided to that customer with respect to that telephone is to be included in the company's gross income.



**Section 43. Repealer.** Ordinance No. 1998 §5, §8, §9, §10, §11, §12, §13, and §14, as codified at TMC Sections 3.50.050; 3.50.080; 3.50.090; 3.50.100; 3.50.110; 3.50.120; 3.50.130; and 3.50.140 respectively, are hereby repealed, thereby eliminating these sections.

**Section 44. Regulations Established.** A new TMC Section 3.51.015 is hereby established to read as follows:

**3.51.015 General Administrative Provisions Apply**

The administrative provisions contained in TMC Chapter 3.27 shall be fully applicable to the provisions of this chapter except as expressly stated to the contrary herein.

**Section 45. TMC Section 3.51.030 Amended.** Ordinance No. 2250 §3, as codified at TMC Section 3.51.030, "Definitions," is hereby amended to read as follows:

**3.51.030 Definitions**

The definitions contained in TMC chapter 3.27 shall have full force and application with respect to taxes imposed under the provisions of this chapter except as expressly stated to the contrary herein.

As used in this chapter, unless the context or subject matter clearly requires otherwise, the words or phrases defined in this chapter shall have the indicated meanings.

1. "Solid waste" means all putrescible and nonputrescible solid and semi-solid wastes, including but not limited to, garbage, rubbish, ashes, industrial wastes, swill, sewage sludge, demolition and construction waste, abandoned vehicles or parts thereof, and recyclable materials.

2. "Solid waste collection business" means every person who receives solid waste or recyclable materials for transfer, storage, or disposal, including but not limited to, all collection services, public or private solid waste disposal sites, transfer stations, and similar operations.

3. "Gross income" means the value proceeding or accruing from the performance of the particular business involved, including gross proceeds of sales, compensation for the rendition of services, and receipts (including all sums earned or charged, whether received or not) by reason of investment in the business engaged in (excluding rentals, receipts or proceeds from the use or sale of real property or any interest therein and proceeds from the sale of notes, bonds, mortgages or other evidences of indebtedness, or stocks and the like), all without any deduction on account of the cost of property sold, the cost of materials used, labor costs, taxes, interest or discount paid, delivery costs or any expenses whatsoever, and without any deduction on account of losses.

4. "Residential customers" means any customer of the solid waste collection provider for residential type customers of single-family residential structures, including mobile homes and duplexes, tri-plexes and four-plexes where each residential unit is billed individually, except that the term does not include multiple unit residences with five or more attached or unattached units billed collectively.

5. "Non-residential customers" means any customer other than those identified as a "residential customer."

**Section 46. Repealer.** Ordinance No. 2250 §8, §9, §10, §11, §12, §13, and §14, as codified at TMC Sections 3.51.080; 3.51.090; 3.51.100, 3.51.110; 3.51.120, 3.51.130, and 3.51.140 respectively, are hereby repealed, thereby eliminating these sections.

**Section 47. Corrections by City Clerk or Code Reviser Authorized.** Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/ subsection numbering.

**Section 48. Severability.** If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

**Section 49. Effective Date.** This ordinance or a summary thereof shall be published in the official newspaper of the City and shall take effect and be in full force on September 1, 2024, after passage and publication as provided by law.


PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 17<sup>th</sup> day of June, 2024.

ATTEST/AUTHENTICATED:

  
\_\_\_\_\_  
Andy Youn, CMC, City Clerk

  
\_\_\_\_\_  
Thomas McLeod, Mayor

APPROVED AS TO FORM BY:

  
\_\_\_\_\_  
Office of the City Attorney

Filed with the City Clerk: 6-11-24  
Passed by the City Council: 6-17-24  
Published: 6-20-24  
Effective Date: Per section 49  
Ordinance Number: 2730

City of Tukwila Public Notice of Ordinance Adoption for Ordinance 2729-2730.

On June 17, 2024, the City Council of the City of Tukwila, Washington, adopted the following ordinance, the main points of which are summarized by title as follows:

**Ordinance 2729:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2613, AS CODIFIED AT TUKWILA MUNICIPAL CODE (TMC) CHAPTER 3.14, "SALES AND USE TAX FOR AFFORDABLE HOUSING," AUTHORIZING THE MAXIMUM CAPACITY OF A LOCAL SALES AND USE TAX TO FUND INVESTMENTS IN AFFORDABLE AND SUPPORTIVE HOUSING; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

**Ordinance 2730:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON; AMENDING AND REPEALING VARIOUS ORDINANCES AS CODIFIED IN VARIOUS SECTIONS OF TUKWILA MUNICIPAL CODE (TMC) CHAPTERS 3.08, "GAMBLING ACTIVITIES TAX," 3.20, "ADMISSIONS AND ENTERTAINMENT TAX," 3.27, "BUSINESS AND OCCUPATION ADMINISTRATIVE PROVISIONS," 3.48, "COMMERCIAL PARKING TAX," 3.50, "UTILITY TAX," AND 3.51, "SOLID WASTE UTILITY TAX"; RETITLING TMC CHAPTERS 3.20 AND 3.27; ESTABLISHING AND APPLYING ADMINISTRATIVE AND OTHER PROVISIONS UNIFORMLY AMONG THE VARIOUS BUSINESS TAXES; CLARIFYING THE ACTIVITIES SUBJECT TO ADMISSIONS TAX, BUSINESS AND OCCUPATION TAX, PARKING TAX, AND UTILITY TAX; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this ordinance will be provided upon request.

Andy Youn, Records Governance Manager/City Clerk

Published Seattle Times: June 20, 2024