



**ORDINANCE NO. 2017-12**

**An Ordinance Amending Title 5 (Business Licenses, Taxes and Regulations), Chapter 5.10 (Business and Occupation Tax), Section 5.10.020 (Levy – Rate) by Altering the Utility Tax Rate and Effective Date of the Tax for Certain Utilities**

The La Center City Council adopts the following findings:

**WHEREAS**, the City of La Center adopted a Business and Occupation Tax in 1980, codified as Chapter 5.10 of the La Center Municipal Code (LCMC) and has amended that chapter several times since then, including in 1997 to reduce the tax to a rate of zero percent; and

**WHEREAS**, the City adopted Ordinance No. 2016-12 on November 22, 2016, after public hearings held October 12, October 26, and November 9, 2016, which increased the City's Business and Occupation Tax on certain utilities, excluding sewer service, consistent with the authority granted to it by RCW 35A.82.020 and 82.02.020 from zero to 6 percent of gross revenues derived from sales effective October 1, 2017, and

**WHEREAS**, the City increased the Business and Occupation Tax on certain utilities partly due to an expected budget short-fall in fiscal year 2017 due to the reduction in gambling tax revenues derived from the City's local, private cardrooms; and

**WHEREAS**, the City's current financial estimates for fiscal year 2017 indicate that the gambling tax revenues will not decline to the extent anticipated and the City now expects a budget surplus in fiscal year 2017; and

**WHEREAS**, the City desires to delay the implementation of the utility excise tax on electricity and water by three months and reduce the tax on the other utilities during the first three months of 2018; and,

**WHEREAS**, the City Council convened a duly noticed public hearing at its regular meeting on October 25, 2017, at which time it accepted testimony on the proposal to delay implementation of the utility excise tax on electricity and water by three months and reduce the tax on the other utilities during the first three months of 2018.

**NOW THEREFORE**, the City Council for the City of La Center ordains as follows:

**Section 1.** Incorporation of Recitals: The foregoing recitals are adopted and incorporated herein by this reference and made a part hereof as findings in support of the amendment hereby adopted.

**Section 2. Amendment.** Title 5 (Business Licenses, Taxes and Regulations), Chapter 5.10 (Business and Occupation Tax), Section 5.10.020 of the La Center Municipal Code is hereby amended as follows:

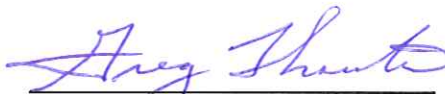
**5.10.020 Levy – Rate.**

There is levied and there shall be collected from every person, firm, corporation and municipal corporation, including any public utility district which operates in the city of La Center, a tax in the amount of six percent of the gross revenues derived from the sale of electricity, water services, telephone services, cable television, and natural gas, within the city limits of La Center. Except that: (1) a tax in the amount of zero percent of the gross revenues derived from the sale of telephone services, cable television, and natural gas will be collected for the period from January 1, 2018 to March 31, 2018; and, (2) the effective date of the tax on gross revenues derived from the sale of electricity and water services shall be January 1, 2018.


**Section 3. Effective date.** This Ordinance shall be effective 60 days after adoption.

**APPROVED** and **ADOPTED** this 25<sup>th</sup> day of October 2017, by a majority of the La Center City Council.

AYES: 4  
NAYS: 0  
ABSTAIN: 0  
ABSENT: 1

  
\_\_\_\_\_  
Greg Thornton, Mayor

ATTEST:

  
\_\_\_\_\_  
Suzanne Levis, Finance Director/Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Daniel Kearns, City Attorney