

Chapter 5.10 BUSINESS AND OCCUPATION TAX

Sections:

- 5.10.010 License – Required.
- 5.10.020 Payment requirements.
- 5.10.030 Tax levy.
- 5.10.040 Deductions in computation of tax.
- 5.10.050 Recordkeeping.
- 5.10.060 Payment failure – Penalty.
- 5.10.070 Error or overpayment – Credit or refund.
- 5.10.080 Severability.
- 5.10.090 Administration rules and regulations.

5.10.010 License – Required.

After October 1, 1983, no person, firm or corporation shall engage in or carry on any business, occupation, act or privilege for which a tax is imposed by CMC 5.10.030 without first having obtained and being the holder of a license so to do, to be known as occupation license. Each such person, firm or corporation shall promptly apply to the city for such license upon such information as the clerk-treasurer shall deem reasonably necessary to enable the city clerk-treasurer's office to administer and enforce this chapter; and upon acceptance of such application by the clerk-treasurer, said clerk-treasurer shall thereupon issue such license to the applicant. Such occupation license shall be personal and non-transferable and shall be valid as long as the license shall continue in said business and shall comply with this chapter. (Ord. 1042 § 2, 2004).

5.10.020 Payment requirements.

The tax imposed by this chapter shall be due and payable in monthly installments and remittance shall be made on or before the fifteenth day of each month next succeeding the end of the month in which the tax accrued. On or before said due date, the taxpayer shall file with the city clerk-treasurer a written return, upon such form and setting forth such information as the clerk-treasurer shall reasonably require, together with the payment of the amount of the tax. (Ord. 1042 § 3, 2004).

5.10.030 Tax levy.

There is hereby levied upon and there shall be collected from every person, firm or corporation, including the city, engaged in carrying on the following business for hire or for sale of a commodity or a service a tax for the privilege of doing business as defined in this section:

A. Upon any telephone business there shall be levied a tax equal to six percent of the gross revenue, including revenue from intrastate toll, derived from the operation of such businesses within the city. Gross revenue for this purpose shall not include charges which are passed on to the subscribers by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this chapter. "Telephone business" means the business of providing intrastate access to a local telephone network, local telephone network switching service, toll service, or coin telephone network services, or providing telephonic, video, data or similar communication or transmission for hire, via a local telephone network, toll line or channel, or similar communication or transmission system. It includes cooperative or farmer line telephone companies or associations operating an exchange. "Telephone business" does not include access to, or charges for, interstate services and does not include the providing of competitive telephone service, nor the providing of

cable television service, and does not include that portion of network telephone service, as defined in RCW 82.16.010, 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 service, or for access to, or charges for, interstate services, or charges for network telephone service that is purchased for the purpose of resale, or charges for mobile telecommunication services provided to customers whose place of primary use is not within the city. "Competitive telephone service" means the providing by any person of telephone equipment, apparatus, or service, other than toll service, which is a type which can be provided by persons that are not subject to regulation as telephone companies under RCW Title 80 and for which a separate charge is made.

B. There is hereby levied a tax on the sale, service, delivery or distribution of electricity and electrical energy and for the privilege of carrying on said business equal to six percent of the gross revenue derived from sales and service of such electricity within the city.

C. There is hereby levied a tax on the sale and service of garbage service provided in the city equal to 10 percent of the gross revenue derived from sales and service of such garbage service.

D. There is hereby levied a tax on the sale and service of water by the city equal to 10 percent of the gross revenue of the city's water system.

E. There is hereby levied a tax on the sale and service of sewer services provided by the city equal to 10 percent of the gross revenue of the city's sewer system.

F. There is hereby levied a tax on the sale and service of cellular telephone service within the city equal to six percent of the gross revenue derived from the sale and service of such cellular phone service. "Cellular telephone service" means providing intrastate access to a two-way voice and data telephone/telecommunications system based in whole or substantially in part on wireless radio communications. "Cellular telephone service" includes cellular mobile service. The definition of "cellular mobile service" includes other wireless radio communications services such as specialized mobile radio (SMR), personal communications services (PCS) and any other evolving wireless radio communications technology which accomplishes the same purpose as cellular mobile service.

Payments by a customer for cellular telephone service from telephones without a fixed location shall be allocated among taxing jurisdictions to the location of the customer's principal service address during the period for which the tax applies. There is a presumption that the service address a customer supplies to the taxpayer is current and accurate, unless the taxpayer has actual knowledge to the contrary.

When the cellular telephone service is provided in which a subscriber is roaming outside the subscriber's normal cellular network area, the gross income shall be assigned consistent with the taxpayer's accounting system to the location of the originating cell site of the call, or to the location of the main cellular switching office that switched the call. (Ord. 1204 § 1, 2012; Ord. 1190 § 1, 2011; Ord. 1114 § 1, 2007; Ord. 1042 § 1, 2004).

5.10.040 Deductions in computation of tax.

In computing said tax there shall be deducted from said gross operating revenues the following items:

A. The amount of credit losses and uncollectibles actually sustained by the taxpayer;

B. Amounts derived from transactions in interstate or foreign commerce or from any business which the city is prohibited from taxing under the Constitution of the United States or the State of Washington;

C. Amounts derived by the taxpayer from the city of Cashmere. (Ord. 1042 § 4, 2004).

5.10.050 Recordkeeping.

Each taxpayer shall keep records reflecting the amount of his said gross operating revenues, and such records shall be open at all reasonable times to the inspection of the city clerk-treasurer or his/her duly authorized subordinates, for verification of said tax returns or for the fixing of the tax of a taxpayer who shall fail to make such return. (Ord. 1042 § 5, 2004).

5.10.060 Payment failure – Penalty.

If any person, firm or corporation subject to this chapter shall fail to pay tax required by this chapter within 30 days after the due date thereof, there shall be added to such tax a penalty of 10 percent of the amount of such tax. Any tax due under this chapter and unpaid, and all penalties thereon, shall constitute a debt to the city and may be collected by court proceedings, which remedy shall be in addition to all other remedies. (Ord. 1042 § 6, 2004).

5.10.070 Error or overpayment – Credit or refund.

Any money paid to the city through error or otherwise not in payment of the tax imposed hereby or in excess of such tax shall, upon request of the taxpayer, be credited against any tax due or to become due from such taxpayer hereunder or, upon the taxpayer's ceasing to do business in the city, be refunded to the taxpayer. (Ord. 1042 § 7, 2004).

5.10.080 Severability.

The invalidity or unconstitutionality of any provisions or section of this chapter shall not render any other provision or section of this chapter invalid or unconstitutional. (Ord. 1042 § 8, 2004).

5.10.090 Administration rules and regulations.

The city clerk-treasurer is hereby authorized to adopt, publish and enforce from time to time such rules and regulations for the proper administration of this chapter as shall be necessary, and it shall be a violation of this chapter to violate or to fail to comply with any such rule or regulation lawfully promulgated hereunder. (Ord. 1042 § 9, 2004).

The Cashmere Municipal Code is current through Ordinance 1245, passed July 27, 2015.

Disclaimer: The City Clerk's Office has the official version of the Cashmere Municipal Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.