

CITY OF SEDRO-WOOLLEY

325 Metcalf Street, Sedro-Woolley, WA 98284 (360) 855-1661

Memorandum

To: Solid Waste Collections Service Providers
From: Patsy Nelson, Finance Director
Date: June 11, 2014
Re: City Ordinance Update –Utility Tax Rate Change

At their April 9, 2014 meeting, the Sedro-Woolley City Council passed Ordinance #1792-14 authorizing an increase in the utility tax rate levied upon businesses collecting solid waste, recyclable material or yard waste within the Sedro-Woolley City limits. The ordinance raises the tax rate to seven and one-half percent (7.5%) effective June 1, 2014 . A copy of the ordinance is enclosed for your reference.

Also enclosed is a copy of our new modified “Utility Tax” remittance form. Please make additional copies for future transmittals as needed. Or if you prefer – you may download this form from our City website at http://www.ci.sedro-woolley.wa.us/Home/documents/licenses_forms/Utility%20Tax%20Form%20Solid%20Waste.pdf

Thank you.

CITY OF SEDRO-WOOLLEY, WASHINGTON

Office of the Clerk

Remittance of Occupations "Utility" Tax (Solid Waste)

(Note: Remittance form accompanied by amount of the tax shall be filed with the City Clerk on or before the last day of the succeeding month.)

Date received by Finance Department: _____

Name/Address of Applicant: _____ Remittance for month of: _____ 20 _____

1. Gross Income (Include all income from every source within the City of Sedro-Woolley) \$ _____

2. Deduction from income: (No deductions may be claimed on income not reported in "1").

- (a.) Revenue from sale of real property of use. \$ _____
- (b.) Revenue from sale of personal property constituting plant or equipment not sold in ordinary course of business. \$ _____
- (c.) Revenue from sale of merchandise sold at retail or wholesale from store of taxpayer run in connection with main business. \$ _____
- (d.) Revenue from sale of notes, mortgages, and other evidence of indebtedness. \$ _____
- (e.) Revenue from interstate of foreign commerce. \$ _____
- (f.) Revenue from business done for United States \$ _____
- (g.) Excise taxes paid on sale of property, or occupation tax. \$ _____

3. Total deductions from income. \$ _____

4. Taxable income (Item "1" less "3"). \$ _____

5. Computation of tax (7.5% of item "4") \$ _____

Late Payment Penalty \$ _____

1	-	10 days	10%
11	-	20 days	15%
21	-	30 days	20%
31	-	60 days	25%

Late Payment Interest 1% per month \$ _____

Amount Enclosed: \$ _____

I _____, being first duly sworn on oath depose and say: That I am the _____ of the applicant making the forgoing application and am authorized to make the same for such applicant; that I have read and examined the foregoing application, know the contents thereof, and certify that the foregoing is true and correct under penalty of perjury pursuant to the laws of Washington.

Print Name

Signature

Date

ORDINANCE NO. 1792-14

AN ORDINANCE AMENDING SWMC 5.06.020 TO INCREASE THE CITY UTILITY TAX RATE

Whereas, SWMC 5.06.020 establishes utility tax rates and for city owned utilities the current rate is 3.5%, and

Whereas, the City of Sedro-Woolley is continuing to experience the effects of the great recession while also experiencing annual increases in the costs of government; and

Whereas, the City Council finds that it is necessary to increase the utility tax rates to fund basic government services, specifically basic law enforcement; and

Whereas, the City Council finds that unacceptably severe cuts in services would be required to maintain a balanced budget in the absence of additional revenues; and

Whereas, this ordinance was first presented for consideration on the regular agenda on March 26, 2014 and public testimony was taken at a public hearing on April 9, 2014; and

Whereas, the Council desires to balance the community's need for municipal services, specifically basic law enforcement services, with the burden placed upon citizens through taxation with an increase in the utility tax to maintain those services; now therefore,

THE CITY COUNCIL OF THE CITY OF SEDRO-WOOLLEY DO HEREBY ORDAIN AS FOLLOWS:

Section 1. SWMC 5.06.020 is amended to read as follows:

5.06.020 Utility tax levied—Rate.

On and after ~~July 1, 2012~~ June 1, 2014, there is levied on and shall be collected from every person a tax for the act or privilege of engaging in certain business activities, measured by the application of the respective rates against gross income as follows:

A. Telephone Business. Upon every person engaged in or carrying on any telephone business (excluding cellular telephone service) within the city of Sedro-Woolley, a fee or tax equal to six percent of the total gross income from such business in the city of Sedro-Woolley. Tax liability imposed under this section shall not apply to that portion of gross income derived from 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 network telephone service that is purchased for the purpose of resale.

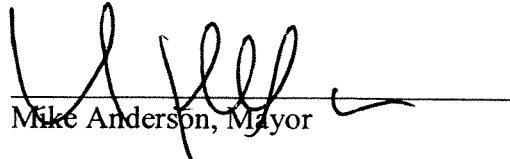
B. Solid Waste. Upon every person engaged in or carrying on the business of collecting solid waste, recyclable materials or yard waste, a tax equal to ~~three and one-half~~ seven and one-half percent of the total gross income from such business in the city of Sedro-Woolley, but not including income from the sale of recyclable materials or yard waste.

C. Sewer System. Upon every person engaged in or carrying on the business of operating a sanitary sewer system, a tax equal to ~~three and one-half~~ seven and one-half percent of the total gross income from such business in the city of Sedro-Woolley.

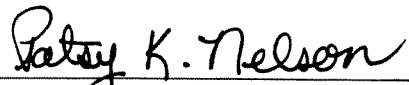
Section 3. This ordinance shall be effective June 1, 2014, which is more than five (5) days after passage and publication as provided by law.

Section 4. The provisions of this ordinance are declared to be severable, and if any section, sentence, clause or phrase of this ordinance shall for any reason be held invalid or unconstitutional or if the application of this ordinance to any person or circumstances shall be held invalid or unconstitutional, such decisions shall not affect the validity of the remaining sections, sentences, clause or phrases of this ordinance.

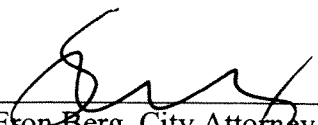
PASSED by majority vote of the members of the Sedro-Woolley City Council this 9th day of April, 2014, and signed in authentication of its passage this 10th day of April, 2014.


Mike Anderson, Mayor

Attest:


Patsy Nelson, Finance Director

Approved as to form:


Eron Berg, City Attorney

First Reading by City Council:	March 26, 2014
Second Reading by City Council:	April 9, 2014
Public Hearing by City Council:	March 26, 2014
Approval by City Council:	April 9, 2014
Signed by the Mayor:	April 10, 2014
Date of Publication:	April 14, 2014