

AN ORDINANCE REVISING UTILITY TAXES

Whereas, the City authorized the collection of utility taxes in Section 5.12 of the Burlington City Code; and

Whereas, the Council has determined that it is in the best interest of the City to revise this Code section to include other authorized utility taxes; and

Whereas, the Council desires to make other changes and refinements to Section 5.12; and

NOW THEREFORE, the City Council of the City of Burlington does hereby amend Section 5.12 of the Burlington municipal code to read as follows:

1. Section 5.12.020 is hereby amended as follows:

5.12.020 Definitions

Add the following – “Cable television service” means the one-way 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.

Add the following – “Cellular telephone service” means two-way voice and data telephone/telecommunication system based in whole or substantially in part on wireless radio communication and which is currently not subject to regulation by the Washington Utilities and Transportation Commission. Cellular telephone service includes cellular mobile service. The definition of cellular mobile service includes other wireless radio communication services such as specialized mobile radio, personal communication services, and any other evolving wireless radio communication technology which accomplishes the same purpose as cellular mobile service.

Add the following – “Gas distribution business” means the business of operating a plant or system for the production or distribution for hire or sale of gas, whether manufactured or natural.

Add the following – “Light and power business” means the business of operating a plant or system for the generation, or distribution of electrical energy for hire or sale and/or for the wheeling of electricity for others.

Add the following – “Non-Cable television service” means the one-way 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 delivered through a technology other than cable.

Add the following – “Water service” means water delivered to residential, industrial, manufacturing, or other business customers by the Public Utility District of Skagit County within the city limits of Burlington.

Add the following – “Sewer service” means sewer customers whose waste is treated by the City of Burlington regardless of the physical location of the residence or business.

Add the following – “Storm Drainage service” means all residence or business who are assessed a fee to cover the cost of operating and maintaining the storm system within the City of Burlington..

2. Section 5.12.070 is hereby amended as follows:

5.12.070 Fee Schedule

5.12.070(A) is revised to read: Upon every person engaged in or carrying on a telephone business, or cellular telephone business, or competitive telephone services, or telecommunication business a fee or tax equal to six percent (6.0%) per annum of the total gross income from local service in the City of Burlington. Such gross income shall include the revenue from intrastate toll service. Gross income shall, for the purpose of taxation under this section, not include charges which are passed on to the subscribers pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this chapter.

5.12.070(B) is hereby amended to read: *Upon every person engaged in or carrying on the business of selling or furnishing electric light and power, or either, a fee or tax equal to 6 percent per annum of the total gross income from such business in the City of Burlington; provided however, that in determining gross income such person may exclude from gross income any and all income received from the sale of electric light and power, or either, to manufacturers at industrial rates, and any and all income derived from the sale of merchandise in the retail trade.*

5.12.070(C) is hereby amended to read: *Upon every person engaged in or carrying on the business of selling or furnishing water for industrial, residential, r other use, a fee or tax equal to 0 (zero) percent of the total gross income for such business in the City of Burlington.*

5.12.070(E) is hereby amended to read: *Upon every person engaged in or carrying on the business of selling or furnishing natural or bottled gas, or either, a fee or tax equal to 6 percent per annum of the total gross income from such business in the City of Burlington.*

New Section 5.12.070(G) is added to read: *Upon every person engaged in or carrying on a cable television or non-cable television service, a fee or tax equal to 6 percent per annum of the total gross income from local service in the City of Burlington. Gross income shall, for the purpose of taxation under this section, not include charges which are passed on to the subscribers pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this chapter.*

New Section 5.12.070(H) is added to read: *Upon every person engaged in or carrying on a wastewater treatment service, a fee or tax equal to 0 (zero) percent per annum of the total gross income from local service in the City of Burlington.*

New Section 5.12.070(I) is added to read: *Upon every person charged for Stormwater Management within the city , a fee or tax equal to 0 (zero) percent per annum of the total gross income from local service in the City of Burlington.*

3. New Section 5.12.140 is added to read as follows:

5.12.140 Utility Tax Relief

There is granted to persons who meet the qualification and requirements of Section 5.12.150 relief from the utility taxes of the City as follows:

- A. For all billings paid directly by the person during a calendar year to any organization which paid the utility tax of the city, the city is authorized to pay such person a "reimbursement" in a maximum amount determined in accordance with subsection B of this section.
- B. The amount of maximum household relief under subsection A of this section for a calendar year is \$55.00. Such relief reimbursement amount shall be prorated for each month that the person qualifying for the relief was a customer of the utility within the city limits of Burlington.

4. New Section 5.12.150 is added to read as follows:

5.12.150 Tax Relief Qualification – Low-Income Senior Citizen or Low-Income Disabled Citizen

- A. To qualify for the relief set forth in Section 5.12.140, a person must be requesting reimbursement for the effect of the Burlington utility tax imposed for the previous calendar year and must:
- a. Be over 65 years of age or have a disability as defined by RCW 84.36.381 or WAC 458-16A-130 and/or
 - b. Live in and have utility service in the incorporated city limits of Burlington and/or
 - c. Have income during the calendar year immediately preceding the request for reimbursement from all sources not exceeding fifty percent (50%) of the median income level for such calendar year for the Seattle-Bellevue Housing and Urban (HUD) Fair Market Rent (FMR) Area per household as published by the Secretary of Housing and Urban Development or show satisfactory evidence of the prior year's qualifying income and certify that income in

the calendar year immediately preceding the reimbursement has not changed, if the annual update to the HUD FMR is not available. Income shall be that as defined by RCW 84.36.383, as it may be amended or replaced from time to time, plus all disability compensation. 297

5. New Section 5.12.160 is added to read as follows:

5.12.160 – Reimbursement Filing Procedures

- A. All claims for reimbursement pursuant to this Section must be filed with the City's Finance Department no later than the date established by the Finance Director on forms specified by the Finance Department for this purpose for the calendar year for which a reimbursement is requested.
- B. The Finance Director shall adopt rules and procedures for the filing of reimbursement claims and for the administration of the reimbursement program pursuant to City Code 5.12.

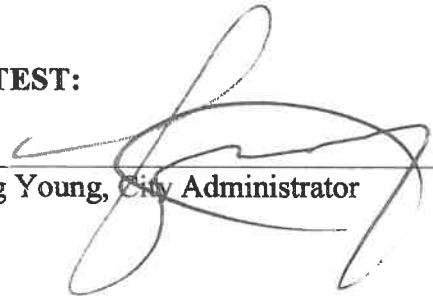
This Ordinance shall take effect sixty (60) days following its publication as required by law.

Introduced and Passed and approved at a regular meeting of the City Council this 25th day of June, 2020.

The City of Burlington


Steve Sexton, Mayor

ATTEST:


Greg Young, City Administrator

APPROVED AS TO FORM:


Leif Johnson, City Attorney

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