

Project title: An ORDINANCE relating to Business and Occupation tax, adopting the new revision to the B&O Tax Model Ordinance to incorporate SB 5199 changes to 35.102.150

Council Bill # *interoffice use*

CB 2312-76

Agenda dates requested:

12/13/2023, 12/20/2023

Briefing:

Proposed action: 12/13/2023

1st & 2nd Reading

Consent

Action

Ordinance: 12/20/2023 3rd &

Final Reading

Public hearing

Yes ☒ No

Budget amendment:

Yes ☒ No

PowerPoint presentation:

Yes ☒ No

Attachments:

Ordinance

Department(s) involved:

Finance

Contact person:

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Initialed by:

sh

Department head

Administration

Council President

Project: N/A

Partner/Supplier: N/A

Location: N/A

Preceding action: N/A

Fund:

Fiscal summary statement:

The net impact of this ordinance change is estimated to be revenue neutral.

Project summary statement:

Pursuant to RCW 35.102, cities which collect business and occupation tax must amend changes that are made to the AWC model ordinance. Senate Bill 5199 changed the definition in the model ordinance for newspaper printing and publishing, which will be effective January 1, 2024. This ordinance amends our section of EMC 3.24.078 to align with Senate Bill 5199.

Recommendation (exact action requested of Council):

Adopt an Ordinance relating to Business and Occupation tax, adopting the new revision to the B&O Tax Model Ordinance to incorporate SB 5199 changes to 35.102.150.



ORDINANCE NO. 3999-23

An ORDINANCE relating to Business and Occupation tax to incorporate SB 5199 changes to RCW 35.102.150, amending EMC 3.24.078

WHEREAS,

- A.** Chapter 35.102 RCW requires business and occupation tax cities to coordinate with the Association of Washington Cities to develop a model ordinance for the administration of business and occupation tax in order to promote greater uniformity and foster a positive business climate.
- B.** The City must amend its code to reflect the changes made to the Association of Washington Cities model ordinance.
- C.** Senate Bill 5199 changed the definition in the model ordinance for newspaper printing and publishing and will be effective January 1, 2024,

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. EMC 3.24.078 is hereby amended as follows:

Notwithstanding RCW 35.102.130, effective January 1, 2008, gross income from the activities of printing, and of publishing newspapers, periodicals, or magazines, shall be allocated to the principal place in this state from which the taxpayer's business is directed or managed. As used in this section, until December 31, 2023, the activities of printing, and of publishing newspapers, periodicals, or magazines, have the same meanings as attributed to those terms in RCW 82.04.280(1) by the Department of Revenue. Beginning January 1, 2024, until January 1, 2034, as used in this section, the activities of printing, and of publishing newspapers and periodicals or magazines are those activities to which the exemption in RCW 82.04.759 and the tax rate in RCW 82.04.280(1)(a) apply.

Section 2. The following is provided for reference and may not be complete:

EMC Amended	Ordinance History of EMC Amended by this Ordinance
EMC 3.24.078	(Ord. 3711-19 § 1, 2019)

Section 3. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 4. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 5. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Section 6. It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.



Cassie Franklin, Mayor

ATTEST:



Marista Jorve, City Clerk

PASSED: 12/20/2023

VALID: 12/21/2023

PUBLISHED: 12/23/2023

EFFECTIVE DATE: 1/4/2024










ORD 3999-23_CB 2312-76

Final Audit Report

2023-12-21

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