

ORDINANCE NO. 13-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON AMENDING COVINGTON MUNICIPAL CODE SECTION 3.70.040, OCCUPATIONS SUBJECT TO TAX, INCREASING THE TAX ON THE GROSS INCOME OF SOLID WASTE, CABLE TELEVISION, AND SURFACE WATER MANAGEMENT PROVIDERS OPERATING WITHIN THE CITY; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE; AND PROVIDING FOR CORRECTIONS.

WHEREAS, the City of Covington (“City”) is classified as a non-charter code city under title 35A RCW; and

WHEREAS, RCW 35A.82.020 authorizes a code city to impose excises taxes for regulation or revenue on businesses doing business within their boundaries; and

WHEREAS, pursuant to the above authority, code cities are authorized to impose taxes upon gross revenues earned by utility and service providers within their jurisdictional boundaries; and

WHEREAS, in November 2007 the City Council of the City of Covington (“City Council”) passed Ordinance No. 16-07, enacting a utility tax upon gross revenues derived from certain utility service providers operating within the City, including solid waste and cable television, which utility tax is codified at Chapter 3.70 of the Covington Municipal Code (CMC); and

WHEREAS, in May 2012, the City Council passed Ordinance No. 08-12 to include surface water management service providers as an occupation for which utility tax is collected, which utility tax is codified at CMC 3.70.040; and

WHEREAS, the City Council has determined that an increase the tax rate upon gross income derived from solid waste, cable television, and surface water management, service operators to eight percent (8%) is necessary to bridge the financial gap between decreasing revenues and increasing demands for city services, including, but not limited to, public safety and the maintenance of streets and pedestrian walkways; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. CMC 3.70.040 Amended. The following amendment shall be made to CMC 3.70.040:

3.70.040 Occupations subject to tax – Amount.

~~There is levied upon and shall be collected from a person engaged in or carrying on a light and power business, telephone business, solid waste collection business, gas distribution business, surface water management services, or cable television services in the City of Covington a tax equal to~~

~~six percent of the total gross income from such business in the City during the period for which the tax is due.~~

(1) Light and Power (Electricity). There is levied upon and shall be collected from every person engaged or carrying on the sale, delivery, or distribution of a light and power business in the City of Covington a tax equal to six percent (6%) of the total gross income derived from the operation of such business in the City during the period for which the tax is due.

(2) Telephone. There is levied upon and shall be collected from every person engaged in or carrying on a telephone business in the City of Covington a tax equal to six percent (6%) of the total gross income derived from the operation of such business in the City during the period for which the tax is due.

(3) Gas. There is levied upon and shall be collected from every person engaged in or carrying on a gas distribution business in the City of Covington a tax equal to six percent (6%) of the total gross income derived from the operation of such business in the City during the period for which the tax is due.

(4) Solid Waste. There is levied upon and shall be collected from every person engaged in or carrying on a solid waste collection service in the City of Covington a tax equal to eight percent (8%) of the total gross income derived from the operation of such business in the City during the period for which the tax is due.

(5) Cable Television. There is levied upon and shall be collected from every person engaged in or carrying on a cable television service in the City of Covington a tax equal to eight percent (8%) of the total gross income derived from the operation of such business in the City during the period for which the tax is due.

(6) Surface Water Management. There is levied upon and shall be collected from every person engaged in or carrying on a surface water management service in the City of Covington a tax equal to eight percent (8%) of the total gross income derived from the operation of such business in the City during the period for which the tax is due.

Section 2. Referendum Procedure. A referendum petition to repeal this ordinance may be filed with the City Clerk within seven (7) days of passage of this ordinance. Within ten (10) days of such filing, the City Clerk shall confer with the petitioner concerning the form and style of the petition, issue an identification number for the petition, and secure an accurate, concise, and positive ballot title from the designated local official. The petitioner shall have thirty (30) days in which to secure the signatures of not less than fifteen percent (15%) of the registered voters of the city, as of the last municipal general election, upon petition forms that contain the ballot title and the full text of the measure to be referred. The City Clerk shall verify the sufficiency of the signatures on the petition and, if sufficient valid signatures are properly submitted, shall certify the referendum measure to the next election ballot within the city or at a

special election ballot as provided pursuant to RCW 35.17.260(2). Except as otherwise provided herein, all provisions set forth at RCW 35.17.250 through RCW 35.17.360 that are applicable to the character and form for an initiative petition, to the examination and certification thereof, and to the submission to the vote of the people of the ordinance proposed thereby, shall apply to the referendum petition authorized herein and to this ordinance.

Section 3. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 4. Corrections by City Clerk. Upon approval of the City Attorney, the City Clerk is authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or section/subsection numbering.

Section 5. Effective Date. Upon passage, this ordinance shall be published in the official newspaper of the city and shall take effect and be in full force ~~five~~ ^{thirty (30)} days after publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF COVINGTON ON THIS 10th DAY OF NOVEMBER, 2015, AND SIGNED IN AUTHENTICATION OF ITS PASSAGE ON THE 10th DAY OF NOVEMBER, 2015.



Mayor Margaret Harto

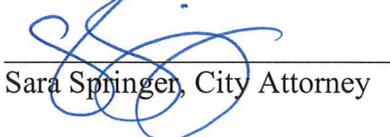
PUBLISHED: November 20, 2015
EFFECTIVE: ~~November 25, 2015~~
^{December 20, 2015}

ATTESTED:



Sharon Scott, City Clerk

APPROVED AS TO FORM:



Sara Springer, City Attorney