

CITY OF MILTON, WASHINGTON

ORDINANCE NO. 1901-16

AN ORDINANCE OF THE CITY OF MILTON, WASHINGTON, AMENDING CHAPTER 13.17 OF MILTON MUNICIPAL CODE; TO INCLUDE A SPECIAL LODGING EXCISE TAX; PROVIDING FOR SEVERABILITY, AN EFFECTIVE DATE, AND FOR SUMMARY PUBLICATION BY ORDINANCE TITLE ONLY.

WHEREAS, the City of Milton adopted Lodging Tax Ordinance No. 1858 in January, 2015; and

WHEREAS, the proposed changes to the lodging tax were submitted to the Lodging Tax Advisory Committee on August 5, 2016, at least 45 days prior to adoption of the proposed changes by the City Council; and

WHEREAS, the Lodging Tax Advisory Committee reviewed the proposed changes to Milton Municipal Code on Lodging Tax during this 45-day review period and provided no recommendations, and after consideration the City Council believes the proposed changes are in the public interest and compliant with the requirements of the statutory authorization for the proposed changes;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF MILTON, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Milton Municipal Code Chapter 3.17 is amended as follows (additions shown by underline and deletions by strikeout):

3.17.010 Imposition of tax.

There is hereby levied a lodging excise tax of two percent under RCW 67.28.180 that shall apply to all charges made for the furnishing of lodging within the Pierce County portion of the city only, collection of which shall begin as soon as possible pursuant to State Department of Revenue requirements, but not later than July 1, 2016, upon the sale of or charge made for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property. (Ord. 1893 § 1, 2016; Ord. 1858 § 1, 2015).

There is further levied a special excise tax of two percent under RCW 67.28.181 that shall apply to all charges made for the furnishing of lodging that is subject to tax under chapter 82.08 RCW at establishments with 59 or fewer rooms/units that are located within the King County portion of the city only. collection of which shall begin as soon as possible pursuant to State Department of Revenue requirements.

3.17.020 Exceptions.

A. For the purposes of this chapter, it shall be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or to enjoy the same.

B. The taxes levied under this chapter shall not apply to emergency lodging provided for homeless persons for a period of less than 30 consecutive days under a shelter voucher program administered by a city, town, or county, or their respective agencies, and groups providing emergency food and shelter services. (Ord. 1858 § 1, 2015).

3.17.030 Independent operation.

To the extent permissible under state law, the taxes levied in this chapter shall be in addition to any license fee or any other tax imposed or levied under any law or any other ordinance of the city. (Ord. 1858 § 1, 2015).

3.17.040 Definitions.

A. The definitions in this section shall apply throughout this chapter unless the context clearly requires otherwise:

1. "Tourism" means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

2. "Tourism promotion" means activities and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding marketing of special events and festivals designed to attract tourists.

3. "Tourism-related facility" means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor, and used to support tourism, performing arts, or to accommodate tourist activities.

4. "Tourist" means a person who travels from a place of residence to a different town, city, county, state or country, for purposes of business, pleasure, recreation, education, arts, heritage, or culture.

B. The definitions of "selling price," "seller," "buyer," and all other definitions applicable to this chapter shall be as defined in Chapters 82.08 and 67.28 RCW, and subsequent amendments thereto. (Ord. 1858 § 1, 2015).

3.17.050 Lodging tax fund.

A. Pursuant to Chapter 67.28 RCW, a special fund to be known as the lodging tax fund is hereby established and all taxes collected under this chapter shall be credited to this special fund.

B. All revenue collected under this chapter shall be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities or for other purposes as authorized in Chapter 67.28 RCW, or as it is hereafter amended. (Ord. 1858 § 1, 2015).

3.17.060 Administration.

The State Department of Revenue is designated as the agent of the city for the purposes of collection of the lodging tax and the special excise tax and for administrative procedures applicable thereto. All rules, regulations, and procedures adopted by the State Department of Revenue for the administration of the collection of lodging tax and special excise tax on behalf of the city are adopted by reference. (Ord. 1858 § 1, 2015).

3.17.070 Deduction from sales tax.

Pursuant to RCW 67.28.1801, the lodging excise tax collected under RCW 67.28.180 shall be deducted from the amount of retail sales tax the seller would otherwise be required to collect and pay to the Department of Revenue under Chapter 82.08 RCW. (Ord. 1858 § 1, 2015).

3.17.080 Violator deemed principal.

Any person who directly or indirectly performs or omits to perform any act in violation of this chapter, or aids or abets the same, or directly or indirectly counsels, encourages, commands, or otherwise induces another to commit such violation is a principal under the terms of this chapter and may be proceeded against as such. (Ord. 1858 § 1, 2015).

3.17.090 Penalty.

It is unlawful for any person, firm, or corporation to violate or fail to comply with any of the provisions of this chapter. Every person convicted of a violation of any provision of this chapter shall be guilty of a serious crime, which is a gross misdemeanor. Each day of violation shall be considered a separate offense. (Ord. 1858 § 1, 2015).

3.17.100 Annual report.

Pursuant to RCW 67.28.8001, or as otherwise provided by Chapter 67.28 RCW, the city shall submit a report to the State Department of Community, Trade, and Economic Development about the rate of lodging tax imposed and about revenue received and projects and activities funded with lodging tax revenue. (Ord. 1858 § 1, 2015).

3.17.110 Lodging tax advisory committee.

A. There is hereby established a lodging tax advisory committee, consisting of five members appointed by the city council, to serve and perform for the city of Milton the functions prescribed for the committee in Chapter 67.28 RCW. The membership of said committee shall be reviewed annually by the city council.

B. The committee membership shall include:

1. At least two members who are representatives of businesses required to collect tax under this chapter; and

2. At least two members who are persons involved in activities authorized to be funded by revenue received under this chapter; provided, that persons who are eligible for appointment under subsection (B)(1) of this section are not eligible for appointment under this subsection (B)(2). Persons who are eligible for appointment under this subsection (B)(2) are not eligible for appointment under subsection (B)(1) of this subsection; and

3. One member shall be an elected official of the city who shall serve as chair of the committee.

C. Organizations representing businesses required to collect tax under this chapter, organizations involved in activities authorized to be funded by revenue received under this chapter, and local agencies involved in tourism promotion may submit recommendations for membership on the committee.

D. The number of members who are representatives of businesses required to collect tax under this chapter shall equal the number of members who are involved in activities authorized to be funded by revenue received under this chapter.

F. The city shall submit to the committee for review and comment proposals for any new taxes authorized under Chapter 67.28 RCW, or for increases in the rate of a tax imposed under this chapter, or for the repeal of an exemption from a tax imposed under this chapter, or for a change in the use of revenue received under this chapter. The submission shall occur at least 45 days before final action on or passage of the proposal by the city council.

G. The committee shall submit comments on the proposal in a timely manner to the city council through the mayor or designee. The comments shall include an analysis of the extent to which the proposal will accommodate activities for tourists or increase tourism, and the extent to which the proposal will affect the long-term stability of the fund created under this chapter. Failure of the committee to submit comments before final action on or passage of the proposal shall not prevent the city council from acting on the proposal. The city council is not required to submit an amended proposal to the committee. (Ord. 1864 § 1, 2015).

Section 2. Severability.

If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. Effective Date.

This ordinance, being an exercise of a power specifically delegated to the City legislative body, is not subject to referendum, and shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

Passed by the Milton City Council the 19 day of Sept, 2016, and approved by the Mayor, the 19 day of Sept, 2016.



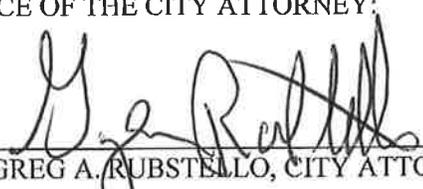
DEBRA PERRY, MAYOR

ATTEST/AUTHENTICATED:



KATIE BOLAM, CITY CLERK

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY 

GREG A. RUBSTELLO, CITY ATTORNEY

FILED WITH THE CITY CLERK: 9/20/2016
PASSED BY THE CITY COUNCIL: 9/19/2016
PUBLISHED: 9/22/2016
EFFECTIVE DATE: 9/27/2016
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