

ORDINANCE NO. 233

AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AMENDING CHAPTER 4.35, UTILITY TAX, OF THE UNIVERSITY PLACE MUNICIPAL CODE TO INCREASE THE UTILITY TAX RATE FROM 2.5% TO 4.0% EFFECTIVE ON JANUARY 1, 2000, PROVIDING FOR POWERS OF REFERENDUM PURSUANT TO RCW 35.17.2L40-360, AND ESTABLISHING A SUNSET PROVISION WHICH AUTOMATICALLY REPEALS THE UTILITY TAX RATE INCREASE ESTABLISHED IN THIS ORDINANCE ON DECEMBER 31, 2004.

WHEREAS, RCW 35A.82.020 authorizes the City of University Place to license for revenue;

WHEREAS, the City Council of the City of University Place (the City), finds in order to provide revenues for the City of University Place, a utility tax should be levied pursuant to the City of University Places authority to license for revenue;

WHEREAS, the City Council wishes to increase utility tax rate from 2.5% to 4.0% to take effect on January 1, 2000;

WHEREAS, this utility tax is also imposed for the privilege of providing utilities within University Place pursuant to RCW 35.21.870; and

WHEREAS, the City of University Place desires to provide for a referendum procedure to apply to this ordinance pursuant to RCW 35.21.706; NOW THEREFORE:

**THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, DOES ORDAIN AS FOLLOWS:**

Section 1. Amending Chapter 4.35.020 Utility Tax Levied - Rate. There is hereby added an amendment to Chapter 4.35.020 Utility Tax Levied - Rate to the University Place Municipal Code.

Chapter 4.35.020 Utility Tax Levied - Rate

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 (including cellular telephone service) within the City of University Place a fee or tax equal to ~~two and one-half~~ four percent of the total gross income from such business in the City of University Place. 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. Cable Television. Upon every person engaged in or carrying on the business of transmitting television signals by means of a cable distribution system, commonly known as cable television or CATV, a tax equal to ~~two and one-half~~ four percent of the total gross income derived from such business in the City of University Place during the current calendar year for which license is required.

C. Natural or Manufactured Gas. Upon every person engaged in or carrying on the business of transmitting, distributing, selling and furnishing natural and/or manufactured gas, a tax equal to ~~two and one-half~~ four percent of the total gross income from such business in the City of University Place.

D. 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 ~~two and one-half~~ four percent of the total gross income from such business in the City of University Place, but not including income from the sale of recyclable materials or yard waste.

Section 2. Referendum Procedure. A referendum petition with respect to this ordinance may be filed with the City Clerk within seven days of the passage of this ordinance. The referendum procedures set forth in RCW 35.17.240 through 35.17.360, as hereafter amended, shall apply, with the following additions and amendments as required by RCW 35.21.706:

A. Within ten days of the filing of the petition, the City Clerk will confer with the petitioner concerning the form and style of the petition, issue and identification number, and secure an accurate, concise and positive ballot title from the City Attorney;

B. The petitioner shall have thirty days in which to secure the signatures of not less than 15% of the registered voters of the City of University Place, as of the last municipal general election, upon petition forms which contain the ballot title and full text of this ordinance; and

C. 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 of University Place, or at a special election as provided pursuant to RCW 35.17.260(2).

Section 3. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective Date and Term of Tax. The Utility Tax Increase from 2.5% to 4.0% will take effect on January 1, 2000, and remain in effect until December 31, 2004, by which time the City Council will have had time to evaluate the necessity to continue the tax increase.

Section 4. Publication and Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall take effect five days after publication.

**PASSED BY THE CITY COUNCIL ON APRIL 19, 1999.**

  
Debbie Klosowski, Mayor

**ATTEST:**

  
Susan Matthew, City Clerk

**APPROVED AS TO FORM:**

  
Timothy X. Sullivan, City Attorney

Date of Publication: April 22, 1999  
Effective Date: April 27, 1999