

3/17/76 15

Introduced by: Mike Lowry

ORDINANCE NO. 2663

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AN ORDINANCE levying a leasehold excise tax upon the privilege of occupying or using publicly owned real or personal property through a leasehold interest as provided in Chapter 61, Laws of 1975-76, 2nd Extraordinary Session, establishing the rate therefor, providing for credits in determining the tax payable, defining exemptions from the tax, authorizing the Executive to enter into a contract with the Department of Revenue.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. There is hereby levied and shall be collected a leasehold excise tax on and after January 1, 1976 upon the act or privilege of occupying or using publicly owned real or personal property within the county of King through a "leasehold interest" as defined by section 2, chapter 61, Laws of 1975-76, Second Extraordinary Session (hereafter "the state act"). The tax shall be paid, collected, and remitted to the department of revenue of the State of Washington at the time and in the manner prescribed by section 5 of the state act.

SECTION 2. The rate of the tax imposed by section 1 shall be six percent of the taxable rent (as defined by section 2 of the state act): PROVIDED, That the following credits shall be allowed in determining the tax payable:

(1) With respect to a leasehold interest arising out of any lease or agreement, the terms of which were binding on the lessee prior to July 1, 1970, where such lease or agreement has not been renegotiated (as defined by section 2 of the state act) since that date, and excluding from such credit (a) any leasehold interest arising out of any lease of property covered by the provisions of RCW 28B.20.394 (regarding the Metropolitan Tract in downtown Seattle) and (b) any lease or agreement including options to renew which extends beyond January 1, 1985, as follows:

1 With respect to taxes due in calendar year 1976, a credit
2 equal to eighty percent of the tax produced by the above rate.

3 With respect to taxes due in calendar year 1977, a credit
4 equal to sixty percent of the tax produced by the above rate.

5 With respect to taxes due in calendar year 1978, a credit
6 equal to forty percent of the tax produced by the above rate.

7 With respect to taxes due in calendar year 1979, a credit
8 equal to twenty percent of the tax produced by the above rate.

9 (2) With respect to a product lease (as defined by
10 section 2 of the state act), a credit of thirty-three percent
11 of the tax produced by the above rate.

12 SECTION 3. There shall be allowed against the tax otherwise
13 imposed by this ordinance a credit for the full amount of any
14 leasehold excise tax authorized by section 4 of the state act
15 and imposed upon the same taxable event by any city or town.

16 SECTION 4. The administration and collection of the tax
17 imposed by this ordinance shall be in accordance with the
18 provisions of the state act.

19 SECTION 5. Leasehold interests exempted by section 13 of
20 the state act as it now exists or may hereafter be amended shall
21 be exempt from the tax imposed pursuant to Section 1 of this
22 ordinance.

23 SECTION 6. The county hereby consents to the inspection of
24 such records as are necessary to qualify the county for
25 inspection of records of the department of revenue pursuant to
26 RCW 82.32.330 (regarding reciprocity of records access).

27 SECTION 7. The King County Executive is authorized to
28 execute a contract with the department of revenue of the State
29 of Washington for the administration and collection of the tax
30 imposed by section 1: PROVIDED, that the prosecuting attorney
31 shall first approve the form and content of said contract.
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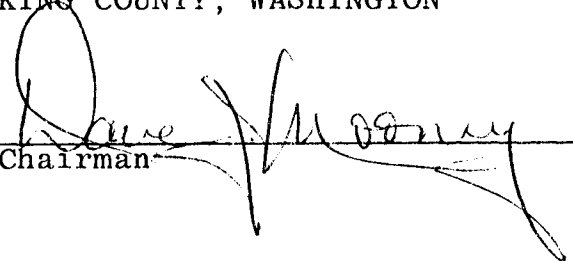
SECTION 8. If any provision of this ordinance, or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances is not affected.

SECTION 9. The effective date of this ordinance shall coincide with the date the state act is implemented by the Department of Revenue.

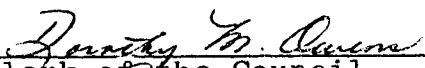
INTRODUCED AND READ for the first time this 22nd day of March, 19 76.

PASSED this 29th day of March, 1976.

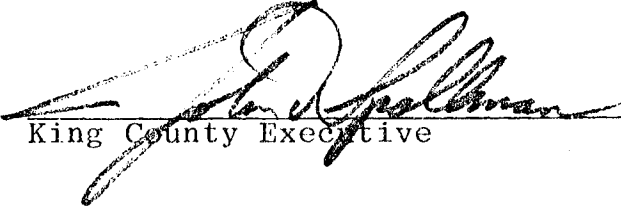
KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chairman

ATTEST:


Clerk of the Council

APPROVED this 31st day of March, 1976.


King County Executive