

7/01/99

Introduced By: Greg Nickels  
Jane Hague

pj subord 08-18-99

Proposed No.: 1999-0366

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ORDINANCE NO. 13617

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AN ORDINANCE reducing admissions and parking taxes imposed for stadium and exhibition center purposes, amending the stadium and exhibition center admission tax and the stadium and exhibition center parking tax to reduce the admissions and parking taxes imposed thereunder; pledging to maintain the taxes at such levels for the term of the bonds issued to finance stadium and exhibition facilities for the purpose of preserving the tax-exempt status of those bonds and thereafter to restore the stadium and exhibition center admissions and parking taxes to the level originally established by Ordinance 12807; providing for reasonable exceptions; prescribing procedures and imposing liability regarding the collection and remittance of the stadium and exhibition center admissions and parking taxes; and amending Ordinance 12807, Section 4, and K.C.C.4.31.020 and Ordinance 12807, Section 5, and K.C.C.4.31.030.

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BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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SECTION 1. Ordinance 12807, Section 4, and K.C.C. 4.31.020 are each hereby

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amended to read as follows:

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**Stadium and exhibition center admissions tax.** A. As authorized by

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~~((Referendum 48, Sec. 301))~~ RCW 36.38.010(5), there is hereby levied and fixed a tax of

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~~((one cent))~~ three and one-tenth percent on ~~((every ten cents or fraction thereof of))~~ charges

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for admission to events in a stadium and exhibition center ~~constructed in the county on or~~

1 after January 1, 1998 that is owned by the Washington State Public Stadium Authority: as  
 2 defined in RCW 36.102.010(9), located in King County and owned by the Washington  
 3 State Public Stadium Authority. From and after the date that the state treasurer certifies to  
 4 the Washington State Public Stadium Authority and to the county that all of the bonds  
 5 issued to finance the stadium and exhibition center authorized under chapter 43.99N RCW  
 6 are fully repaid, redeemed or retired, the admissions tax shall be levied and fixed at the rate  
 7 of ten percent. For the purposes of this section, "charges for admission to events" means  
 8 only the actual admission charge, exclusive of taxes and service charges and the value of  
 9 any other benefit conferred by the admission, and includes a charge made for season  
 10 tickets or subscriptions, a cover charge or a charge made for the use of seats and tables,  
 11 reserved or otherwise, and other similar accommodations. Revenues collected from the tax  
 12 imposed (~~herein~~) in this section shall be deposited and used in accordance with  
 13 (~~Referendum 48, Sec. 301~~) RCW 36.38.010(5). The tax under this section shall be levied  
 14 upon the first use of any part of the stadium and exhibition center but shall not be collected  
 15 at any facility already in operation as of (~~the effective date of Referendum 48~~) July 17,  
 16 1997.

17 B. To maintain consistency with charitable organization admission tax exemptions  
 18 allowed by the city of Seattle for the Kingdome, King County will provide for similar  
 19 exemptions from the admissions tax imposed by this section. The admission tax shall not  
 20 apply to any admission charge to an event that is sponsored by a nonprofit organization  
 21 exempt from federal income taxation under section 501(c) (3) of the Internal Revenue  
 22 Code when:

23 (i) the nonprofit tax-exempt organization publicly sponsors the event,

1           (ii) the nonprofit tax-exempt organization receives the use and benefit of the  
2           admission charges collected, and

3           (iii) the primary purpose of the event is charitable fundraising based on  
4           reasonable documentation.

5           C. A person who receives payment for an admission charge on which a tax is levied  
6           under this section, and a person who by agreement with the Washington State Public  
7           Stadium Authority is obligated to collect the tax, shall collect the tax from the person  
8           making the admission payment and shall remit the tax to the state treasurer as provided in  
9           this section. The tax imposed under this section shall be collected from the person paying  
10           the admission charge at the time the admission charge is paid. The person who by  
11           agreement with the Washington State Public Stadium Authority is obligated to collect the  
12           tax, or the person collecting the tax, shall remit the tax to the state treasurer. Payment shall  
13           be made in monthly remittances on or before the fifteenth day of the month next  
14           succeeding the end of the monthly period in which the tax is collected or received and  
15           accompanied by such reports as the state treasurer requires. Payment or remittance of the  
16           tax collected may be made by check unless payment or remittance is otherwise required by  
17           the state treasurer, but payment by check does not relieve the person collecting the tax  
18           from liability for payment and remittance of the tax to the state treasurer unless the check  
19           is in the full and correct amount and until the check is honored. The person required to  
20           collect the tax under this section holds the tax in trust until the tax is remitted to the state  
21           treasurer as provided in this section. If a person required to collect the tax imposed by this  
22           section fails to collect the tax, or having collected the tax fails to pay the tax to the state  
23           treasurer in the manner prescribed by this section, whether the failure is the result of the

1 person's own acts or the result of acts or conditions beyond the person's control, the  
2 person is personally liable to the state for the amount of the tax.

3 D. A person liable for the collection and payment of the tax imposed by this section  
4 shall acquire, keep and preserve for five years all unused tickets, ticket manifests, books  
5 and all other records from which can be determined the amount of admission tax that the  
6 person was liable to remit under this section. All of those tickets, books and records shall  
7 be open for examination and audit at all reasonable times by the King County finance  
8 department or the state treasurer or the state treasurer's agent.

9 E. The applicable provisions in RCW 82.32.090 through 82.32.115, and the  
10 amendments to those provisions, apply with respect to the taxes imposed under this  
11 section, except that, unless otherwise indicated by the context, in those provisions the term  
12 "state treasurer" is substituted for each reference made to "department," "department of  
13 revenue" and "director of the department of revenue."

14 F. If a charge is made for admission under this section, a serially numbered ticket  
15 shall be furnished to the person paying the charge unless written approval has been  
16 obtained from the operator of the facility owned by the Washington State Public Stadium  
17 Authority to use a turnstile or other counting device that accurately counts the number of  
18 paid admissions. The established price, admission tax and total price at which every such  
19 an admission ticket is sold shall be separately, conspicuously and indelibly printed or  
20 written on the face or back of the part of the ticket, which is to be taken up by the  
21 management of the place to which admission is gained.

22 G. For the purposes of this section, "person" includes a municipal or quasi-municipal  
23 corporation.

1            SECTION 2. Ordinance 12807, Section 5, and K.C.C. 4.31.030 are each hereby  
2 amended to read as follows:

3            **Stadium and exhibition center parking tax.** A. As authorized by ~~((Referendum 48,~~  
4 ~~Sec. 302))~~ RCW 36.38.040, there is hereby levied and fixed a tax at the rate of ~~((40%))~~ one  
5 percent on any vehicle parking charges imposed at any parking facility that is part of a  
6 stadium and exhibition center as defined in RCW 36.102.010(9), located in King County  
7 and owned by the Washington State Public Stadium Authority. From and after the date that  
8 the State treasurer certifies to the Washington State Public Stadium Authority and to the  
9 county that all of the bonds issued to finance the stadium and exhibition center authorized  
10 under chapter 43.99N RCW are fully repaid, redeemed or retired, the parking tax shall be  
11 levied and fixed at the rate of ten percent. For the purposes of this section, "vehicle  
12 parking charges" means only the actual parking charges exclusive of taxes and service  
13 charges and the value of any other benefit conferred. Revenues collected under this  
14 section shall be deposited and used in accordance with ~~((Referendum 48, Sec. 302))~~ RCW  
15 36.38.040. The tax under this section shall be levied upon the first use of any part of the  
16 stadium and exhibition center but shall not be collected at any facility already in operation  
17 as of ~~((the effective date of Referendum 48))~~ July 17, 1997.

18            B. A person who receives payment for vehicle parking charges on which a tax is  
19 levied under this section, and a person who by agreement with the Washington State Public  
20 Stadium Authority is obligated to collect the tax, shall collect the tax from the person  
21 making the vehicle parking charges and shall remit the tax to the state treasurer as provided  
22 in this section. The tax imposed under this section shall be collected from the person  
23 paying the vehicle parking charges at the time the vehicle parking charges are paid. The

1 person who by agreement with the Washington State Public Stadium Authority is obligated  
2 to collect the tax, or the person collecting the tax from the person paying the vehicle  
3 parking charges, shall remit the tax to the state reasurer. Payment shall be made in  
4 monthly remittances on or before the fifteenth day of the month next succeeding the end of  
5 the monthly period in which the tax is collected or received and shall be accompanied by  
6 such reports as the state treasurer requires. Payment or remittance of the tax collected may  
7 be made by check unless payment or remittance is otherwise required by the state  
8 treasurer, but payment by check does not relieve the person collecting the tax from liability  
9 for payment and remittance of the tax to the state treasurer unless the check is in the full  
10 and correct amount and until the check is honored. The person required to collect the tax  
11 under this section holds the tax in trust until the tax is remitted to the state treasurer as  
12 provided in this section. If a person required to collect the tax imposed by this section fails  
13 to collect the tax, or having collected the tax fails to pay the tax to the state treasurer in the  
14 manner prescribed by this section, whether the failure is the result of the person's own acts  
15 or the result of acts or conditions beyond the person's control, the person is personally  
16 liable to the state for the amount of the tax.

17 C. A person liable for the collection and payment of the tax imposed by this chapter  
18 shall acquire, keep and preserve for five years all records from which can be determined  
19 the amount of vehicle parking tax that the person was liable to remit under this section.  
20 All of those records shall be open for examination and audit at all reasonable times by the  
21 King County finance department or the state treasurer or the state treasurer's agent.

22 D. The applicable provisions in RCW 82.32.090 through 82.32.115, and the  
23 amendments to those provisions, apply with respect to the taxes imposed under this

1 section, except that, unless otherwise indicated by the context, in those provisions, "state  
2 treasurer" is substituted for each reference made to "department," "department of revenue"  
3 and "director of the department of revenue."

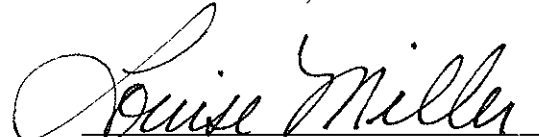
4 E. For the purposes of this section, "person" includes a municipal or quasi-municipal  
5 corporation.

6 **SECTION 3. Severability.** If any provision of this ordinance or its application to  
7 any person or circumstance is held invalid, the remainder of the ordinance or the  
8 application of the provision to other circumstances is not affected.

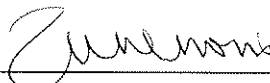
9 INTRODUCED AND READ for the first time this 6th day of July, 1999.

10 PASSED by a vote of 11 to 1 this 30th day of August, 1999.

11 KING COUNTY COUNCIL  
12 KING COUNTY, WASHINGTON

13   
14 Chair

15 ATTEST:

16   
17 Clerk of the Council

18 APPROVED this 2 day of <sup>September</sup> ~~August~~, 1999.

19   
20 King County Executive

21 Attachments: None