

ORDINANCE 418

CITY OF LACEY

AN ORDINANCE LEVYING AND PROVIDING FOR THE COLLECTION OF A LEASEHOLD EXCISE TAX IN THE CITY OF LACEY, AS AUTHORIZED BY CHAPTER 61, LAWS OF 1975-76, SECOND EXTRAORDINARY SESSION, LAWS OF THE STATE OF WASHINGTON; PROVIDING FOR THE EXECUTION OF A CONTRACT BY THE CITY OF LACEY WITH THE DEPARTMENT OF REVENUE OF THE STATE OF WASHINGTON FOR THE COLLECTION THEREOF; PROVIDING FOR PENALTIES FOR VIOLATION THEREOF; AND ADDING A NEW CHAPTER TO THE LACEY MUNICIPAL CODE.

THE CITY COUNCIL OF THE CITY OF LACEY DOES ORDAIN AS FOLLOWS:

There is hereby added to the Lacey Municipal Code a new chapter 3.05 to read as follows:

Section 3.05.010. There is hereby levied and shall be collected a leasehold excise tax on and after April 1, 1976 upon the act or privilege of occupying or using publicly owned real or personal property within the City of Lacey 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 3.05.020. The rate of the tax imposed by Section 3.05.010 shall be four per cent 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 any lease or agreement, including options to renew, which extends beyond January 1, 1985, as follows:

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

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

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

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

(2) With respect to a product lease (as defined by Section 2 of the state act), a credit of thirty-three per cent of the tax produced by the above rate.

Section 3.05.030. The administration and collection of the tax imposed by this ordinance shall be in accordance with the provisions of the state act.

Section 3.05.040. Leasehold interests exempted by Section 13 of the state act as it now exists or may hereafter be amended shall be exempt from the tax imposed pursuant to Section 3.05.010 of this ordinance.

Section 3.05.050. The City of Lacey hereby consents to the inspection of such records as are necessary to qualify the City of Lacey for inspection of records of the Department of Revenue pursuant to RCW 83.32.330.

Section 3.05.060. The City Manager of the City of Lacey is authorized to execute a contract with the Department of Revenue of the State of Washington for the administration and collection of the tax imposed by Section 3.05.010 in the form attached to this ordinance.

Section 3.05.070. 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 3.05.080. Any person, firm or corporation convicted of the violation of any of the provisions of this ordinance shall be fined not to exceed the sum of Five Hundred Dollars (\$500.00).

PASSED BY THE COUNCIL OF THE CITY OF LACEY this 10<sup>th</sup> day of June, 1976.

CITY COUNCIL

By Karen R. Frazer  
Mayor

Attest:

Timothy McQuire  
City Clerk

Approved as to form:

[Signature]  
City Attorney

Passed: 6-10-76

Published: 6-16-76

*agreement in 2/11/76*