

ORDINANCE NO. 473

AN ORDINANCE of the City of Gig Harbor, Washington, adding a new Chapter 3.26, Excise Tax on Real Property, to the Gig Harbor Municipal Code; imposing a one-quarter percent excise tax on real estate sales as authorized by Section 11(1), Chapter 49, First Ex. Sess., Laws of 1982; providing for the use of such revenue; specifying a date of imposition and an effective date; creating a lien on subject property; prescribing procedures for collection, forfeiture and refund; and adopting Chapter 82.45 RCW by reference.

The City Council of the City of Gig Harbor, Washington, DO ORDAIN as follows:

Section 1. There is hereby added to the Gig Harbor Municipal Code a new Chapter 3.26 entitled "Real Estate Excise Tax" to read as follows:

**"CHAPTER 3.26**

**REAL ESTATE EXCISE TAX**

**Sections:**

|          |   |
|----------|---|
| 3.26.010 | One-Quarter Percent Excise Tax on Real Estate Sales |
| 3.26.020 | County to Collect/Payment                           |
| 3.26.030 | Tax is Obligation of Seller                         |
| 3.26.040 | Tax Lien On Real Property                           |
| 3.26.050 | Duties of County Treasurer                          |
| 3.26.060 | Payment Due   |
| 3.26.070 | Refunds   |
| 3.26.080 | Clerk to Notify County                              |
| 3.26.090 | State Law Adopted by Reference                      |
| 3.26.100 | Severability  |

**3.26.010 One-Quarter Percent Excise Tax on Real Estate Sales.**

**A. Imposition**

There is imposed an excise tax on each sale of real property constituting a taxable event as defined in Chapter 82.45 RCW and occurring within the corporate limits of the City of Gig Harbor. The tax imposed under this section shall be collected from persons who are taxable by the State under Chapter 82.45 RCW and such tax shall comply with all applicable rules, regulations, laws and court decisions regarding real estate excise taxes as imposed by the State under Chapter 82.45 RCW.

**B. Rate of Tax**

The rate of tax imposed by Section 3.26.010A shall be one-quarter of one percent of the selling price of all real property upon which this tax is imposed by subsection A.

**C. Use of Proceeds**

All proceeds from the tax imposed by this section shall be placed by the city treasurer in a capital improvement fund and shall be used for capital improvements, including those listed in RCW 35.43.040. This section shall not limit the existing authority of this city to impose special assessments on property benefited thereby in the manner prescribed by law.

3.26.020 County to Collect/Payment

The county treasurer shall place one percent of the proceeds of the taxes imposed herein in the county current expense fund to defray costs of collection. The remaining proceeds from city taxes imposed herein shall be distributed to the city each month.

3.26.030 Tax is Obligation of Seller

The taxes imposed herein are the obligation of the seller and may be enforced through the action of debt against the seller or in the manner prescribed for the foreclosure of mortgages.

3.26.040 Tax Lien on Real Property

The taxes imposed herein and any interest or penalties thereon are the specific lien upon each piece of real property sold from the time of sale or until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages. Resort to one course of enforcement is not an election not to pursue the other.

3.26.050 Duties of County Treasurer

The taxes imposed herein shall be paid to and collected by the treasurer of the county within which is located the real property which was sold. The county treasurer shall act as agent for the city within the county imposing the tax. The county treasurer shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance prior to its recording or to the real estate excise tax affidavit in the case of used mobile home sales. A receipt issued by the county treasurer for the payment of the tax imposed herein shall be evidence of the satisfaction of the lien imposed in Section 3.26.040 of this chapter and may be recorded in the manner prescribed for recording satisfactions or mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the county auditor for filing or recording until the tax is paid and the stamp affixed thereto; in case the tax is not due on the transfer, the instrument shall not be accepted until suitable notation of this fact is made on the instrument by the county treasurer.

3.26.060 Payment Due

The tax imposed hereunder shall become due and payable immediately at the time of sale and, if not so paid within thirty days thereafter, shall bear interest at the rate of one percent per month from the time of sale until the date of payment.

3.26.070 Refunds

If, upon written application by a taxpayer to the county treasurer for a refund, it appears a tax has been paid in excess of the amount actually due or upon a sale or other transfer declared to be exempt, such excess amount or improper amount was paid as a result of a miscalculation. Any refund made shall be withheld from the next monthly distribution to the city.

3.26.080 Clerk to Notify County

The city clerk is hereby directed to transmit a certified copy of this ordinance to the Pierce County Auditor's Office immediately upon passage and further notify that department of the effective date of this ordinance.

3.26.090 State Law Adopted by Reference

Chapter 82.45 RCW and any and all subsequent amendments to said statute are hereby adopted by reference as if set forth in full herein. The city clerk is hereby directed to maintain one copy of Chapter 82.45 as currently enacted or as subsequently amended on file for public use and examination during regular city business hours. Copies of said statute shall be attached to this ordinance and authenticated by the city clerk.

3.26.100 Severability

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 shall not be affected."

Section 2. 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 its passage and publication as provided by law, provided, however, that the tax herein established shall be imposed on sales of real property from and after the first day of January, 1986.

**APPROVED:**

Ruth M. Bogue  
Mayor, Ruth M. Bogue

**ATTEST:**

Michael R. Wilson  
City Administrator, Michael R. Wilson

Filed with the city clerk: 12/5/85  
Passed by the city council: 12/23/85  
Published: 1/8/86  
Effective date: 1/13/86