

CITY OF GIG HARBOR

ORDINANCE NO. 587

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, AMENDING SECTION 3.26.010(C) OF THE GIG HARBOR MUNICIPAL CODE TO AMEND THE USE OF THE ONE QUARTER OF ONE PERCENT EXCISE TAX ON REAL ESTATE SALES; ADDING A NEW SECTION 3.26.015 TO IMPOSE AN ADDITIONAL EXCISE TAX OF ONE QUARTER OF ONE PERCENT OF THE SELLING PRICE; AMENDING SECTION 3.26.020 RELATING TO PAYMENT OF THE COSTS OF COLLECTION; ADDING A NEW SECTION 3.26.100 TO CREATE A CAPITAL IMPROVEMENT FUND NO. 305 AND SETTING AN EFFECTIVE DATE.

WHEREAS, the legislature has enacted Chapter 17, Laws of 1990, First Extraordinary Session, which in Section 38 of said statute, authorizes the city to impose an additional excise tax in the amount of one quarter of one percent of the selling price, and

WHEREAS, the legislature has also amended RCW 82.46.010 regarding the use of excise tax proceeds,

NOW, THEREFORE, the City Council of the City of Gig Harbor, Washington ORDAINS as follows:

Section 1. Section 3.26.010(C) of the Gig Harbor Municipal Code is hereby amended to read as follows:

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 primarily for financing capital projects specified in a capital facilities plan element of a comprehensive plan approved by the City Council and for other purposes as authorized by law. Provided, however, revenues committed prior to July 1, 1990 to a capital project may continue to be used for that purpose until the project is completed.

Section 2. A new section 3.26.015 is hereby added to the Gig Harbor Municipal Code to read as follows:

3.26.015 Additional One Quarter Percent Excise Tax on Real Estate Sales.

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- A. Pursuant to Section 38 of Chapter 17, Laws of 1990, First Extraordinary Session, there is imposed an excise tax on each sale of real property constituting a taxable event as defined in RCW Chapter 82.45 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 RCW Chapter 82.45 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 RCW Chapter 82.45.
- B. Rate of Tax. The rate of tax imposed by Section 3.06.015(A) 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. Revenues generated from the tax imposed by this section shall be used solely for the financing of capital projects specified in a capital facilities plan element of a comprehensive plan approved by the City Council.

Section 3. Section 3.26.020 of the Gig Harbor Municipal Code is hereby amended to read as follows:

3.26.020 County to Collect Payment. The County Treasurer shall place one percent of the proceeds of the taxes imposed by Section 3.06.010 in the county current expense fund to defray costs of collection. The remaining proceeds from city taxes imposed by this chapter shall be distributed to the city monthly.

Section 4. A new section 3.26.100 is hereby added to the Gig Harbor Municipal Code to read as follows:

3.26.100 Fund Created. There is created a new fund called the Capital Improvement Fund No. 305. Monies received by the city pursuant to the tax imposed by Section 3.26.015 shall be placed in this fund which shall be expended as provided by law.

Section 5. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the

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validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 6. This ordinance shall take effect and be in full force five (5) days after publication.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved its Mayor at a regular meeting of the council held on this 27th day of August, 1990.

Gretchen Wilbert
Gretchen Wilbert, Mayor

ATTEST:

M. R. Wilson
Michael R. Wilson
City Administrator/Clerk

Filed with city clerk: 7/20/90
Passed by city council: 8/27/90
Date published: 9/19/90
Date effective: 9/24/90

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