

**CITY OF SUMNER
ORDINANCE NO. xxxx**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, RELATING TO THE TAX RATE UPON CERTAIN BUSINESSES AND CORPORATIONS; AMENDING SECTION 1 OF ORDINANCE NO. 2251, ADOPTED MARCH 17, 2008, AND AMENDING SECTION 5.08.030 OF THE SUMNER MUNICIPAL CODE.

WHEREAS, the Revised Code of Washington Chapter 35.21.870 limits the tax imposed for the privilege of conducting an electrical energy, natural gas, steam energy, or telephone business to a rate not to exceeds six percent without a public vote; and

WHEREAS, the City of Sumner currently levies a rate of 5.25% on providers of electrical energy, natural gas, and telephone services; and

WHEREAS, the taxes levied under Sumner Municipal Code 5.08.030 support the City's General Fund; and

WHEREAS, the amount of the tax was last adjusted in 1982 and has not kept current with increased costs;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON DOES RESOLVE AS FOLLOWS:

Section 1. That Section 1 of Ordinance No. 2251, approved March 17, 2008, and Section 5.08.030 of the City of Sumner Municipal Code are hereby amended to read as follows:

- A. From and after August 1, 2015 ~~January 1, 1982~~, there is hereby levied upon, and there shall be collected from, every person, firm, or corporation engaged in carrying on or furnishing, for a monetary consideration, the City of Sumner and the inhabitants thereof, with electricity and electrical energy for lighting, heating, power and other public purposes, within or partly within the corporate limits of the city, an annual tax for the privilege of so doing, such tax to be equal to six percent (6.0%) ~~five and one quarter percent (5.25%)~~ of the total gross subscriber's revenues from business and residential electrical power service in the city; provided that from and after June 1, 2008, the revenue derived from individual users of said service shall not be taxed in excess of the sum of \$1,500.00 per month, and any tax due on the revenue derived from said individual users of said service, above the sum of \$1,500.00 per month, is hereby abated.
- B. From and after August 1, 2015 ~~January 1, 1982~~, there is hereby levied upon, and there shall be collected from, every person, firm, or corporation engaged in carrying on or furnishing, for a monetary consideration, a telephone business for hire, within or partly within the corporate limits of the city, an annual tax for the privilege of so doing, such tax to be equal to six percent (6.0%) ~~five and one quarter percent (5.25%)~~ of the total gross operating revenues, excluding revenues from intrastate toll, derived from the operation of such business within the City of Sumner. Gross operating revenues for this purpose shall not include charges which are passed on to the subscribers by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this

ordinance; provided that from and after June 1, 2008, the revenue derived from individual users of said service shall not be taxed in excess of the sum of \$1,500.00 per month, and any tax due on the revenue derived from said individual users of said service, above the sum of \$1,500.00 per month, is hereby abated.

“Telephone business” means the business of providing access to a local telephone network, local telephone network ~~net-work~~ switching service, toll service, or coin telephone services, or providing telephonic video, data, or similar communication or transmission for hire, via a local telephone network, toll line or channel, or similar communication or transmission system. It includes cooperative or farmer line telephone companies, or associations operating an exchange. “Telephone business” does not include the providing of competitive telephone services, nor the providing of cable television service.

C. From and after August 1, 2015 ~~January 1, 1982~~, there is hereby levied upon, and there shall be collected from, every person, firm, or corporation engaged in carrying on or furnishing, for a monetary consideration, natural gas or manufactured natural gas for lighting, heating, power and other public purposes, within or partly within the corporate limits of the city, an annual tax for the privilege of so doing, such tax to be equal to six percent (6.0%) ~~five and one-quarter percent (5.25%)~~ of the total gross subscriber’s revenues from business and residential gas service, both natural and manufactured, in the city; provided, however, that from and after June 1, 2008, the revenue derived from individual users of said service shall not be taxed in excess of the sum of \$1,500.00 per month, and any tax due on the revenue derived from said individual users of said service, above the sum of \$1,500.00 per month, is hereby abated.

Section 2. Severability. If any portion 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 3. Effective Date. This Ordinance shall become effective sixty (60) days from and after its passage, approval, and publication as provided by law.

Passed by the City Council and approved by the Mayor of the City of Sumner, Washington at a regular council meeting thereof this 18th day of May, 2015.

Mayor David L. Enslow

ATTEST:

APPROVED AS TO FORM:

City Clerk Terri Berry, MMC

City Attorney Brett C. Vinson