

ORDINANCE NO. 1009

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, AMENDING THE REDMOND MUNICIPAL CODE TO INCLUDE REVENUES GENERATED FROM INTRASTATE TOLL CALLS AS A COMPONENT OF GROSS OPERATING REVENUES SUBJECT TO THE OCCUPATION TAX IMPOSED BY CHAPTER 5.44 OF THE REDMOND MUNICIPAL CODE UPON PERSONS ENGAGED IN THE TELEPHONE BUSINESS WITHIN THE CITY.

WHEREAS, the Washington State Legislature, by enactment of Chapter 144, Laws of 1981, which will take effect on January 1, 1982, has eliminated a significant source of revenue to the city by providing that "competitive telephone services" as defined hereinafter shall not be subject to local business and occupation taxes, and

WHEREAS, at present the City's occupation tax upon persons engaged in the telephone business within the City does not extend to revenues generated from intrastate toll calls, and

WHEREAS, the City Council finds that it will promote the general welfare of the City to include revenues derived from intrastate toll calls as a component of revenues subject to the City's occupation tax and that such action will partially offset the loss of revenue which will result from enactment of Chapter 144, Laws of 1981, now, therefore

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Section 5.44.020 of the Redmond Municipal Code is hereby amended to read as follows:

5.44.020 Definitions. Unless the context clearly indicates otherwise, the words, phrases and terms used in this chapter shall have the following meanings:

(a) "Gross income" means the value proceeding or accruing from the sale of tangible property or service, and receipts (including all sums earned or charged, whether received or not) by reason of investment of capital in the business engaged in, including rentals, royalties, receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages or other evidence of indebtedness, or stocks and the like) and without any deduction on account of the cost of the property sold, cost of materials used, labor costs, interest or discount paid, or any expenses whatsoever, and without any deduction on account of losses.

(b) "Person or persons" mean persons of either sex, firms, copartnerships, corporations, public utility districts, municipal corporations or departments thereof, public or private utilities, and other associations, whether acting by themselves or by servants, agents or employees.

(c) "Taxpayer" means any person liable for the license fee or tax imposed by this chapter.

(d) "Tax year or taxable year" means the year commencing January 1 and ending on December 31, of such year, or in lieu thereof, the taxpayer's fiscal year when permission is obtained from the city clerk to use the same as the tax period, or in lieu thereof, commencing December 15 and ending December 14 of the next following calendar year when permission is obtained from the city clerk to use the period as the tax year.

(e) "Telephone business" means the business of providing access to a local telephone network, local telephone network 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 service, nor the providing of cable television service.

(f) "Competitive telephone service" means the providing by any person of telephone equipment, apparatus, or service, other than toll service, which is of a type which can be provided by persons that are not subject to regulation as telephone companies under Title 80 RCW and for which a separate charge is made.

Section 2. Section 5.44.050 of the Redmond Municipal Code is hereby amended to read as follows:

5.44.050 Occupations subject--Rate. There are levied and shall be collected annual license fees and occupation taxes against the persons designated on account of the business activities, and in the amounts to be determined by the application of the respective rates against gross income as follows:

(a) Telephone Business. Upon every person engaged in or carrying on any telephone business within the city, a fee or tax equal to five percent of the total gross income, including revenues from intrastate long distance toll service, from such business in the city during the current calendar year for which a license is required.

(b) Electric light and power. Upon every person engaged in or carrying on the business of furnishing electric light and power within the city, a fee or tax equal to five percent of the total gross income from such business in the city during the current calendar year for which a license is required.

(c) Natural or manufactured gas. Upon every person engaged in or carrying on the business of transmitting, distributing, selling and furnishing natural and/or manufactured gas, a tax equal to five percent of the total gross income from such business derived from the sale of gas within the city during the calendar year for which a license is required.

This ordinance shall be in full force and effect as of
January 1, 1982.

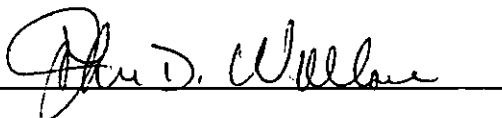
CITY OF REDMOND:


MAYOR, CHRISTINE T. HIMES

ATTEST/AUTHENTICATED:


CITY CLERK, PAUL F. KUSAKABE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY 

FILED WITH THE CITY CLERK	November 12, 1981
PASSED BY THE CITY COUNCIL	November 17, 1981
SIGNED BY THE MAYOR:	November 17, 1981
POSTED:	November 19, 1981
EFFECTIVE DATE:	January 1, 1982