



Legislation Details (With Text)

File #: CB 119950 **Version:** 2 **Name:** CB 119950
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 11/21/2023
Final Action: 12/1/2023 **Ord. No.** Ord 126933

Title: AN ORDINANCE relating to taxation; increasing the tax rates of the payroll expense tax imposed on persons engaging in business in Seattle; and amending Section 5.38.030 of the Seattle Municipal Code.

Sponsors: Kshama Sawant

Indexes:

Attachments: 1. Summary and Fiscal Note v3, 2. Summary and Fiscal Note v2, 3. Summary and Fiscal Note v1, 4. Amendment 1 to CB 119950 (\$60m increase) v2, 5. Amendment 2 to CB 119950 (\$40m increase) v2, 6. Amendment 3 to CB 119950 (\$20m increase) v2, 7. Signed Ordinance 126933, 8. Affidavit of Publication

Date	Ver.	Action By	Action	Result
12/1/2023	2	City Clerk	attested by City Clerk	
12/1/2023	2	Mayor	returned	
12/1/2023	2	Mayor	Signed	
11/29/2023	2	City Clerk	submitted for Mayor's signature	
11/21/2023	2	City Council	passed	Pass
11/14/2023	1	Select Budget Committee	pass as amended	Pass
11/7/2023	1	City Council	re-referred	
11/19/2020	1	Select Budget Committee	do not pass	Fail
11/16/2020	1	City Council	referred	
11/12/2020	1	Council President's Office	sent for review	
11/12/2020	1	City Clerk	sent for review	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to taxation; increasing the tax rates of the payroll expense tax imposed on persons engaging in business in Seattle; and amending Section 5.38.030 of the Seattle Municipal Code.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 5.38.030 of the Seattle Municipal Code, enacted by Ordinance 126108, is amended as

follows:

5.38.030 Tax imposed-Rate

A. A payroll expense tax is hereby levied upon and shall be collected from every person engaging in business within Seattle.

B. The amount of the payroll expense tax due shall be the payroll expense of the business, subject to any deductions authorized under this Chapter 5.38, multiplied by the following rates:

1. For businesses with payroll expense up to \$99,999,999.99, the rate shall be:

a. (~~Seven-tenths~~) 0.746 percent of the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99; and

b. (~~One and seven-tenths~~) 1.811 percent of the payroll expense of employees with annual compensation of \$400,000 or more.

2. For businesses with payroll expense of \$100 million to \$999,999,999.99, the rate shall be:

a. (~~Seven-tenths~~) 0.746 percent of the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99; and

b. (~~One and nine-tenths~~) 2.024 percent of the payroll expense of employees with annual compensation of \$400,000 or more.

3. For businesses with payroll expense of \$1 billion or greater, the rate shall be:

a. (~~One and four-tenths~~) 1.492 percent of the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99; and

b. (~~Two and four-tenths~~) 2.557 percent of the payroll expense of employees with annual compensation of \$400,000 or more.

C. The tax imposed by this Chapter 5.38 is levied on businesses. A business may not make any deductions from employees' compensation to pay for this tax.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)