

CITY OF SEATTLE
ORDINANCE 127267
COUNCIL BILL 121059

AN ORDINANCE amending Ordinance 127259 to correct a technical error on the duration of business and occupation tax rates; and amending Section 5.55.040 of the Seattle Municipal Code.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2 of Ordinance 127259 is amended to read as follows:

Section 2. Subject to and contingent upon approval of the qualified voters of the City as authorized by RCW 35.21.711, Section 5.45.050 of the Seattle Municipal Code, last amended by Ordinance 125211, is amended as follows:

5.45.050 Imposition of the tax-Tax or fee levied

Except as provided in subsection 5.55.040.D.1, there is hereby levied upon and shall be collected from every person a tax for the act or privilege of engaging in business activities within the City, whether the person's office or place of business be within or without the City. The tax shall be in amounts to be determined by application of rates against gross proceeds of sale, gross income of business, or value of products, including by-products, as the case may be, as follows:

A. Upon every person engaging within the City in business as an extractor; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, extracted within the City for sale or for commercial or industrial use, multiplied by the rate of .00215 through December 31, 2016, and beginning January 1, 2017, through December 31, 2017, by the rate of .00219, ~~((and))~~ beginning January 1, 2018, through December 31, 2025, by the rate of .00222,

1 and beginning January 1, 2026, through December 31, 2032, by the rate of .00342, and
2 beginning January 1, 2033, by the rate of .00273. The measure of the tax is the value of
3 the products, including by-products, so extracted, regardless of the place of sale or the
4 fact that deliveries may be made to points outside the City.

5 B. Upon every person engaging within the City in business as a manufacturer; as
6 to such persons, the amount of the tax with respect to such business shall be equal to the
7 value of the products, including by-products, manufactured or processed within the City,
8 multiplied by the rate of .00215 through December 31, 2016, and beginning January 1,
9 2017, through December 31, 2017, by the rate of .00219, ~~((and))~~ beginning January 1,
10 2018, through December 31, 2025, by the rate of .00222, and beginning January 1, 2026,
11 through December 31, 2032, by the rate of .00342, and beginning January 1, 2033, by the
12 rate of .00273. The measure of the tax is the value of the products, including by-products,
13 so manufactured or processed, regardless of the place of sale or the fact that deliveries
14 may be made to points outside the City.

15 C. Upon every person engaging within the City in the business of making sales of
16 retail services, or making sales at wholesale or retail; as to such persons, the amount of
17 tax with respect to such business shall be equal to the gross proceeds of such sales of the
18 business without regard to the place of delivery of articles, commodities, or merchandise
19 sold, multiplied by the rate of .00215 through December 31, 2016, and beginning January
20 1, 2017, through December 31, 2017, by the rate of .00219, ~~((and))~~ beginning January 1,
21 2018, through December 31, 2025, by the rate of .00222, and beginning January 1, 2026,
22 through December 31, 2032, by the rate of .00342, and beginning January 1, 2033, by the
23 rate of .00273.

D. Upon every person engaging within the City in the business of:

1. Printing;

2. Both printing and publishing newspapers, magazines, periodicals,
books, music, and other printed items;

3. Publishing newspapers, magazines, and periodicals;

4. Extracting for hire;

5. Processing for hire; or

6. Conducting a tour operator business; as to such persons, the amount of
tax on such business shall be equal to the gross income of the business multiplied by the
rate of .00215 through December 31, 2016, and beginning January 1, 2017, through
December 31, 2017, by the rate of .00219, ~~((and))~~ beginning January 1, 2018, through
December 31, 2025, by the rate of .00222, and beginning January 1, 2026, through
December 31, 2032, by the rate of .00342, and beginning January 1, 2033, by the rate of
.00273.

E. Upon every motor carrier engaging within the City in the business of

transporting freight for hire; as to such persons, the amount of the tax with respect to such
business shall be equal to the gross income from the transport of freight picked up in the
City multiplied by the rate of .00415 through December 31, 2016, and beginning January
1, 2017, through December 31, 2017, by the rate of .00423, ~~((and))~~ beginning January 1,
2018, through December 31, 2025, by the rate of .00427, and beginning January 1, 2026,
through December 31, 2032, by the rate of .00658, and beginning January 1, 2033, by the
rate of .00526. The business of transporting freight for hire includes the business of

1 leasing or renting motor vehicles operated by the lessor, or by a person under the control
2 of the lessor, to transport freight for hire.

3 F. Upon every other person engaging within the City in any business activity
4 other than or in addition to those enumerated in the above subsections; as to such persons,
5 the amount of tax on account of such activities shall be equal to the gross income of the
6 business multiplied by the rate of .00415 through December 31, 2016, and beginning
7 January 1, 2017, through December 31, 2017, by the rate of .00423, ~~((and))~~ beginning
8 January 1, 2018 through December 31, 2025, by the rate of .00427, and beginning
9 January 1, 2026, through December 31, 2032, by the rate of .00658, and beginning
10 January 1, 2033, by the rate of .00526. This subsection includes, among others, and
11 without limiting the scope hereof (whether or not title to material used in the performance
12 of such business passes to another by accession, merger, or other than by outright sale),
13 persons engaged in the business of developing or producing custom software or of
14 customizing canned software, producing royalties or commissions, persons engaged in
15 the business of freight brokering, and persons engaged in the business of rendering any
16 type of service which does not constitute a sale at retail, a sale at wholesale, or a retail
17 service.

Section 2. This ordinance shall take effect as provided by Seattle Municipal Code
Sections 1.04.020 and 1.04.070.

Passed by the City Council the 12th day of August, 2025,
and signed by me in open session in authentication of its passage this 12th day of
August, 2025.



President _____ of the City Council

☒ Approved / ☐ returned unsigned / ☐ vetoed this 12th day of August, 2025.



Bruce A. Harrell, Mayor

Filed by me this 12th day of August, 2025.



Scheereen Dedman, City Clerk

(Seal)