

CITY OF SEATTLE
ORDINANCE 126717
COUNCIL BILL 120442

AN ORDINANCE relating to taxation; reducing the per trip tax imposed on transportation network companies operating in Seattle; and amending Section 5.39.030 of the Seattle Municipal Code.

WHEREAS, transportation network companies (TNCs) provide application dispatch services that allow passengers to directly request the dispatch of drivers via the internet using mobile interfaces such as smartphone applications; and

WHEREAS, the Washington state legislature passed House Bill 2076 concerning rights and obligations of TNCs and TNC drivers; and

WHEREAS, House Bill 2076 preempts cities, towns, or other municipal corporations from imposing any tax, fees, or other charges explicitly or exclusively on TNCs or their drivers; and

WHEREAS, House Bill 2076 does not preempt cities, towns, or other municipal corporations from imposing any generally applicable taxes, fees, or other charges, such as: business taxes; sales and use taxes; excise taxes; or property taxes; and

WHEREAS, House Bill 2076 provides that any local ordinance or regulation, in a city with a population of more than 600,000 or in a county with a population of more than 2,000,000, existing before January 1, 2022, that imposes a tax, fee, or other charge on a TNC or driver, remains in effect, but, shall be reduced by \$0.15; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 5.39.030 of the Seattle Municipal Code, enacted by Ordinance 125971, is amended as follows:

1 **5.39.030 Tax imposed—Rates**

2 There is imposed a tax on every TNC operating in Seattle. The amount of the tax due shall be
3 \$0.57 per trip that originates in Seattle through December 31, 2022. Beginning January 1, 2023,
4 the amount of the tax due shall be \$0.42 per trip that originates in Seattle.

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

4 Passed by the City Council the 29th day of November, 2022,
5 and signed by me in open session in authentication of its passage this 29th day of
6 November, 2022.

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8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this 2nd day of December, 2022.

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11 Bruce A. Harrell, Mayor

12 Filed by me this 2nd day of December, 2022.

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14 Elizabeth M. Adkisson, Interim City Clerk

15 (Seal)