2016 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
132	1	A	1

Budget Action Title: Pass C.B. 118537 - Utility Tax Ordinance

Has CIP Amendment: No

Has Budget Proviso: No

Councilmembers: Budget Committee

Staff Analyst: Erik Sund

Council Bill or Resolution: 118537

Date		Total	SB	BH	JO	TR	NL	TB	JG	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

Budget Action description:

This green sheet would approve passage of Council Bill 118537, which would expand the City's current drainage and wastewater utility taxes to include systems operated by port districts.

The Seattle Municipal Code (SMC) requires that utilities operating within the City of Seattle must pay utility taxes. Unlike the majority of other utility taxes, taxes on drainage and wastewater systems currently only apply to municipal utilities. Council Bill 118537 would amend to the SMC to make these utility taxes apply to both municipal and port district utilities.

The drainage tax rate is 11.5 percent of gross receipts and the wastewater tax rate is 12 percent of gross receipts. The expansion of these taxes to port operated utilities is expected to increase General Subfund revenues by approximately $400,000 in 2016. This additional revenue was assumed in the creation of the Mayor's Proposed 2016 Budget.