

CITY OF SEATTLE

ORDINANCE 127321

COUNCIL BILL 121083

AN ORDINANCE relating to taxation; imposing a local sales and use tax to fund investments in criminal justice; repealing obsolete sales and use tax provisions; adding a new Section 5.60.029 to the Seattle Municipal Code; renumbering Sections 5.60.030 and 5.60.040 of the Seattle Municipal Code as Section 5.60.065 and further amending the section; repealing Section 5.60.050 and 5.60.060 of the Seattle Municipal Code; and ratifying and confirming certain prior acts.

WHEREAS, after the COVID-19 public health emergency and resulting financial downturn, including generationally high inflation, the City’s operating budget has faced a structural budget deficit, solved year-to-year by employing one-time measures; and

WHEREAS, public safety continues to be a top priority for the people of Seattle; and

WHEREAS, during the 2025 session, the Washington State Legislature enacted ESHB 2015 that authorizes city and county governments, including The City of Seattle, to impose a local sales and use tax of 0.1 percent by a legislative act prior to June 20, 2028; and

WHEREAS, the local sales and use tax revenue shall be spent on “criminal justice purposes” as authorized by ESHB 2015; and

WHEREAS, the City has implemented the policies and practices required by subsection 101(3) and 101(4) of ESHB 2015 and is therefore authorized by law to impose the local sales and use tax of 0.1 percent; and

WHEREAS, the City Council unanimously passed Resolution 32174 on July 29, which was signed by the Mayor on August 12, 2025, and which calls for utilizing public safety sales

1 tax revenue to create a pathway to recovery for individuals experiencing substance use
2 disorder; and

3 WHEREAS, The City of Seattle intends to impose the maximum local sales and use tax
4 authorized under ESHB 2015; NOW, THEREFORE,

5 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

6 Section 1. The City Council finds and declares that The City of Seattle is in compliance
7 with and meets all requirements contained in RCW 43.101.540 and RCW 82.14.345(c).

8 Section 2. A new Section 5.60.029 is added to the Seattle Municipal Code as follows:

9 **5.60.029 Imposition of sales and use tax for criminal justice purposes**

10 A. There is imposed a sales and use tax as authorized by RCW 82.14.345, upon every
11 taxable event, as defined in chapter 82.14 RCW, occurring in Seattle. The tax shall be imposed
12 upon and collected from those persons from whom the state sales tax or use tax is collected
13 pursuant to chapter 82.08 and 82.12 RCW.

14 B. The rate of the tax imposed by this Section 5.60.029 shall be 0.1 percent of the selling
15 price or value of the article used.

16 C. The City may use the moneys imposed under this Section 5.60.029 for criminal justice
17 purposes as defined by RCW 82.14.345.

18 Section 3. Sections 5.60.030 and 5.60.040 of the Seattle Municipal Code, last amended
19 by Ordinance 125887, are renumbered and amended as follows:

20 **~~((5.60.030))~~ 5.60.065 Administration ~~((and collection of tax))~~**

21 A. The administration and collection of the taxes imposed by this Chapter 5.60 shall be in
22 accordance with the provisions of RCW 82.14.050 ~~((and Chapter 338, Laws of 2019))~~, RCW
23 82.14.345, and RCW 82.14.540.

~~((5.60.040 Consent to inspection of records.))~~

B. The City of Seattle (~~hereby~~) consents to the inspection of such records as are necessary to qualify the City for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330.

Section 4. Section 5.60.050 of the Seattle Municipal Code, enacted by Ordinance 110877, is repealed:

~~((5.60.050 Authorizing execution of contract for administration.~~

~~The Mayor is hereby authorized to enter into a contract with the Department of Revenue for the administration of this tax.))~~

Section 5. Section 5.60.060 of the Seattle Municipal Code, enacted by Ordinance 110877, is repealed:

~~((5.60.060 Special initiative.~~

~~The ordinance codified in this chapter shall be subject to a special initiative as contemplated by Section 19, Chapter 49, Laws of 1982, First Extraordinary Session, and Article IV, Section 1 of the City Charter.))~~

Section 6. The proceeds of the sales and use tax will continue to be deposited into the City's General Fund. The increases in revenues due to the sales and use tax for criminal justice purposes authorized in Section 2 of this ordinance shall pay for programs or activities with

1 “criminal justice purposes,” as defined by Chapter 350, Laws of 2025, in the following program
2 areas:

3 A. Investments in the treatment of substance abuse disorders.

4 B. Costs related to the staffing and operation of diversified response programs.

5 C. Investments in diversion programs and enhanced shelter programs for individuals with
6 criminal legal system involvement.

7 D. Costs related to first responder staffing.

8 Section 7. The Finance Director is authorized to provide any necessary notice to the
9 Department of Revenue to effectuate the tax enacted by this ordinance and to execute, for and on
10 behalf of The City of Seattle, any necessary agreement with the Department of Revenue for the
11 collection and administration of the tax enacted by this ordinance.

12 Section 8. Any notice given or agreement executed by the Finance Director as authorized
13 by Section 7 of this ordinance prior to the effective date of this ordinance is ratified and
14 confirmed.

Section 9. Sections 2 through 5 of this ordinance shall take effect on January 1, 2026.

Section 10. 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 14th day of October, 2025,
and signed by me in open session in authentication of its passage this 14th day of
October, 2025.



President _____ of the City Council

☒ Approved / ☐ returned unsigned / ☐ vetoed this 16th day of October, 2025.



Bruce A. Harrell, Mayor

Filed by me this 16th day of October, 2025.



Scheereen Dedman, City Clerk

(Seal)