2016 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
131	1	A	1

Budget Action Title: Pass C.B. 118547 - Square Footage Tax Repeal Ordinance

Has CIP Amendment: No

Has Budget Proviso: No

Councilmembers: Budget Committee

Staff Analyst: Erik Sund

Council Bill or Resolution: 118547

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 118547, which would end the imposition of the City's square footage tax on businesses after December 31, 2015.

The square footage tax was created in 2007 by Ordinance 122564. The City imposed the square footage tax on businesses in order to offset the loss of revenues due to changes in the way revenues from the gross receipts (Business & Occupation or B&O) tax were distributed when business activities take place in multiple jurisdictions in Washington.

The repeal of the square footage tax is estimated to reduce General Subfund revenues by approximately $2.5 million in 2016. This reduction was assumed in the creation of the Mayor's Proposed 2016 Budget.