



Legislation Text

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File #: CB 118547, Version: 1

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**CITY OF SEATTLE**  
**ORDINANCE** \_\_\_\_\_  
COUNCIL BILL \_\_\_\_\_

AN ORDINANCE related to ending the square footage business tax for periods after December 31, 2015; and amending Section 5.46.030 of the Seattle Municipal Code.

WHEREAS, the State of Washington grants cities the power to license businesses for the purpose of raising revenue; and

WHEREAS, the City of Seattle has, since 1932, imposed a business license tax (also known as a business and occupation tax, B&O tax, or gross receipts tax) based on the gross receipts of persons engaging in business in Seattle; and

WHEREAS, in 2003 the Legislature passed HB 2030, now codified as chapter 35.102 RCW, which changed how cities impose B&O taxes; and

WHEREAS, in response to projections at that time that the mandated changes to the imposition of B&O taxes could result in substantial decreases in tax revenue paid to the City, the City imposed the square footage business tax to complement the business license tax and to protect against adverse tax revenue impacts; and

WHEREAS, enough time has passed for the City to assess and adapt to the changes in the B&O tax imposed by HB 2030; and

WHEREAS, economic conditions have changed since 2008, and the City desires to simplify its tax code and end the square footage business tax for periods after December 31, 2015 in order to support economic activity and encourage job growth in Seattle; NOW, THEREFORE,

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

Section 1. Subsection 5.46.030.A of the Seattle Municipal Code, which section was last amended by Ordinance 123704, is amended as follows:

**5.46.030 Tax Imposed-Measure of the Tax((=))**

A. For all periods from January 1, 2008 through December 31, 2015, a ((A)) square footage business tax for the act or privilege of engaging in business activities within the city is hereby levied upon and shall be collected from every person that leases, owns, occupies, or otherwise maintains an office or place of business within the city.

The tax shall be measured by the number of square feet of business floor space and other floor space for each office or place of business leased, owned, occupied or otherwise maintained within the city during the reporting period.

No person shall owe square footage business tax for engaging in business activities within the city after December 31, 2015 and this Chapter 5.46 shall be limited to determining and collecting the square footage business tax due for persons engaging in business activities within the city prior to December 31, 2015.

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

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2015, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)