

ORDINANCE NO. 10915

AN ORDINANCE OF THE CITY OF BELLINGHAM RELATING TO THE SPECIAL EXCISE TAX ON LODGING, AMENDING BELLINGHAM MUNICIPAL CODE CHAPTER 4.62 AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, SSB 5867, enacted as Chapter 452, Laws of 1997 provides that cities are authorized to levy and collect a special excise tax not to exceed four percent on the sale of or charge made for the furnishing of lodging that is subject to tax under Chapter 82.08 RCW; and

WHEREAS, SSB 5867, enacted as Chapter 452, Laws of 1997, provides that such tax shall be levied only to pay all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of a tourism-related facility; and

WHEREAS, the City's Lodging Tax Allocation Committee has reviewed the proposal to raise the tax levied from 2 percent to 4 percent and has made its recommendation to the City Council to increase the levy;

NOW, THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

Section 1. Section 4.62.010 of the Bellingham Municipal Code is hereby amended to read as follows:

4.62.010 -- Imposed

There is levied a special excise tax of four percent on the sale of or charge made for the furnishing of lodging by a hotel, roominghouse, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from renting or leasing real property; provided that it shall

be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same.

Section 2. Section 4.62.040 of the Bellingham Municipal Code is hereby amended to read as follows:

4.62.040 -- Tourism Activities Fund

There is created a special fund in the City to be known as the Tourism Activities Fund. All taxes levied and collected under the provisions of this chapter shall be credited to the Tourism Activities Fund and shall be used only for the purpose of paying all or any part of the cost of tourist promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities or to pay for any other uses as authorized in RCW Chapter 67.28, currently enacted or hereinafter amended, and, until withdrawn for such use, the moneys accumulated in such fund may be invested in interest-bearing securities by the Finance Director in any manner authorized by law.

Section 3. A new section is added to Bellingham Municipal Code Chapter 4.62 to read as follows:

4.62.035 -- Tax in Addition to Other Taxes -- Deduction

The tax levied in this Chapter shall be in addition to any license fee or any other tax imposed or levied under any law or any other ordinance of the City; provided, the first two percent of the tax shall be deducted from the amount of tax the seller would otherwise be required to collect and pay to the Department of Revenue under Chapter 82.08 RCW.

Section 4. This ordinance shall take effect February 1, 1998.

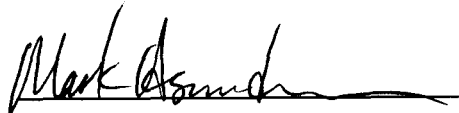
PASSED BY COUNCIL THIS 8th DAY OF December, 1997.

City of Bellingham
CITY ATTORNEY
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Bellingham, Washington 98
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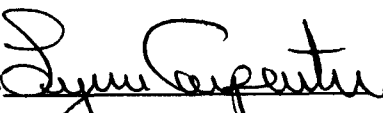


Council President

APPROVED BY ME THIS 16 DAY OF December, 1997.



Mayor

Attest: 
Finance Director

APPROVED AS TO FORM:



Office of the City Attorney

Published: 12-18-97

