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**ORDINANCE NO. 823**

AN ORDINANCE OF THE CITY OF CARNATION, WASHINGTON, AMENDING CHAPTER 5.04 CMC BUSINESS AND OCCUPATION TAX; IMPOSING A THREE PERCENT UTILITY TAX UPON THE OPERATION OR PROVISION OF CABLE TELEVISION SERVICE WITHIN THE CITY; PROVIDING FOR SEVERABILITY; ESTABLISHING AN AUTOMATIC SUNSET DATE; AND ESTABLISHING AN EFFECTIVE DATE.

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WHEREAS, the City of Carnation has established various Business and Occupation taxes upon specified business operations within the city in order to raise necessary revenue, and has codified the same at Chapter 5.04 CMC; and

WHEREAS, the City Council desires to impose such a tax upon the business of operating or providing cable television services within the City; and

WHEREAS, the three percent tax rate established by this ordinance is equal to or less than the local tax imposed by the City upon other business categories, and is not unduly discriminatory; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF CARNATION, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Amendment of CMC 5.04.030. Section 5.04.030 of the Carnation Municipal Code is hereby amended to provide in its entirety as follows:

**5.04.030 - Imposition of tax.**

There is levied upon, and there shall be collected from, every person, firm or corporation engaged in carrying on the

following business for hire or for sale of a commodity or a service within or partly within the corporate limits of the city, or as otherwise set forth herein, the tax for the privilege of so doing business as defined in this section.

A. There is levied a tax upon every person, firm or corporation engaged alone or in conjunction with another in the business of selling or leasing telephone or telegraph or related communication equipment at retail or to or for the public and thereafter installing, maintaining or repairing the same, such tax to be equal to six percent of the total gross income from such business in the city.

B. There is levied a tax on the sale, delivery or distribution of electricity and electrical energy, such tax to be equal to six percent of the total gross revenue derived from sales of such electricity to users within the city.

C. There is levied a tax on the sale, delivery, distribution or furnishing of natural gas for domestic, business or industrial consumption, such tax to be equal to six percent of the total gross income from such business in the city.

D. There is levied a tax on the sale, delivery or distribution of water for domestic, farm and other uses, such tax to be equal to six percent of the total gross revenue derived from sale of such water to users within and outside the city.

E. There is levied a tax on the service of collection of garbage and refuse within the city, such tax to be equal to eight percent of the total gross revenue derived from the service of such collection of garbage and refuse within the city.

F. There is levied a tax on every person, firm or corporation engaged in or carrying on the business of operating or providing cable television service, such tax to be equal to three percent of the total gross revenue from the operation of such business within the city.

G. All providers of services and commodities described in subsections A through F of this section and this

subsection may, in part or in full, allocate the tax on a pro rata basis to users and consumers of the commodities and/or utility services.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. Effective Date; Referendum. This ordinance is subject to referendum as set forth in RCW 35.21.706. Any duly qualified person may file a referendum petition with the City Clerk within seven (7) days after the passage of this ordinance. In the event that such a petition is filed, the City Clerk shall, within ten (10) days, confer with the petitioner regarding the form and style of the petition, secure an accurate, concise, and positive ballot title from the City Attorney, and assign an identification number to the petition. Thereafter, the petitioner shall have thirty (30) days within which to gather signatures from not less than fifteen percent (15%) of the City's registered voters as of the last municipal general election, upon petition forms which contain the ballot title and the full text of the measure to be referred. The City Clerk shall verify the sufficiency of the signatures on the petition, and, if sufficient valid signatures are properly submitted, shall certify the referendum measure to the next election ballot within the City or at a special election ballot as provided pursuant to RCW 35.17.260(2). In the event that no referendum petition is filed, this ordinance shall take effect 60 days after its passage and publication of an approved summary thereof consisting of the title.

Section 4. Sunset. This ordinance shall sunset automatically 72 months after its effective date. PROVIDED, that the tax imposed hereunder shall continue to apply through the end of the applicable tax remittance schedule period established by Chapter 5.04 CMC within

which the above-referenced sunset date falls, and the final taxpayer payment covering such period shall thereafter be due pursuant to the payment schedule established by Chapter 5.04 CMC.

APPROVED by the Carnation City Council this 4th day of December, 2012.

MAYOR, JIM BERGER

ATTEST/AUTHENTICATED:

CITY CLERK, MARY MADOLE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY
J. ZACHARY LELL

FILED WITH THE CITY CLERK: ..... 11/29/2012
PASSED BY THE CITY COUNCIL: .... 12/04/2012
PUBLISHED: ..... 12/12/2012
EFFECTIVE DATE:..... 02/10/2013*
ORDINANCE NO. .....823

*Effective Date: *In the event that no referendum petition is filed, this ordinance shall take effect 60 days after its passage and publication of an approved summary thereof consisting of the title.*