



ORDINANCE NO. 28851

1 AN ORDINANCE relating to taxation and revenue; amending Subtitle 6A of the
2 Tacoma Municipal Code, "Tax Code," by adding a new Chapter 6A.130
3 entitled, "Local Solid Waste Customer Excise Tax," imposing a local
4 solid waste excise tax, and by amending Section 6A.10.020, entitled
5 "Tax definitions"; and providing for severability; effective April 1, 2023.

6 WHEREAS the City of Tacoma is a first-class charter city, and pursuant to
7 Revised Code of Washington ("RCW") 35.22.570 is granted all powers conferred
8 upon incorporated cities and towns pursuant to Title 35 RCW and other laws of the
9 state (Title 35A RCW), and all such powers as are usually exercised by municipal
10 corporations of like character and degree, and

11 WHEREAS RCW 35A.11.020 and 35A.82.020 grant to code cities a general
12 grant of taxing power to raise revenue for local purposes which power and
13 authority may be exercised by first class charter cities pursuant to RCW 35.22.570,
14 and

15 WHEREAS the City desires to create a sustained local revenue source to
16 fund programs focused on public health and safety, and

17 WHEREAS all residences and businesses within the City receive substantial
18 and essential public services by having the operational availability of healthful, safe
19 and reliable solid waste collection and disposal services on a continuing basis, and

20 WHEREAS a local excise tax imposed on the privilege of residing or
21 engaging in business in the City limits and measured by solid waste collection and
22 disposal services received would provide a sustained local revenue source; Now,
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24 Therefore,
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BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Subtitle 6A of the Tacoma Municipal Code (“TMC”), “Tax Code,” is hereby amended by adding a new chapter, to be known and designated as Chapter 6A.130, “Local Solid Waste Customer Excise Tax,” consisting of five subsections, to read as set forth in the attached Exhibit “A.”

Section 2. That Section 6A.10.020 TMC Tax Definitions is hereby amended, to read as set forth in the attached Exhibit “B.”

Section 3. That if any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Section 4. That this ordinance shall be effective at 12:01 a.m. on the first day of April, 2023.



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Section 5. That the City Clerk, in consultation with the City Attorney, is authorized to make necessary corrections to this ordinance, including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Chief Deputy City Attorney



EXHIBIT "A"

CHAPTER 6A.130
LOCAL SOLID WASTE CUSTOMER EXCISE TAX

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Sections:

- 6A.130.010 Authority
- 6A.130.020 Definitions
- 6A.130.030 Imposition of local solid waste customer excise tax
- 6A.130.040 Exemptions

6A.130.010 Authority

The local solid waste excise tax imposed pursuant to this chapter is authorized pursuant to the laws of the state of Washington, including but not limited to, Article VII § 9 of the Washington Constitution, RCW 35.22.570, RCW 35.22.900, RCW 35A.11.020 and RCW 35A.82.020.

6A.130.020 Definitions

The following definitions apply to each section in this chapter of the Tacoma Municipal Code:

Commercial customer. "Commercial Customer" shall have the same meaning as that term is given pursuant to Chapter 12.09 of the Tacoma Municipal Code, as now, or may hereafter be amended.

Local solid waste customer excise tax. "Local solid waste customer excise tax" shall mean and refer to the excise privilege tax imposed pursuant to this chapter.

Private solid waste collection and disposal services. "Private Solid Waste Collection and Disposal Services" shall mean all services provided by a solid waste collection business to customers in the City of Tacoma for the collection and for disposal of solid waste.

Public disposal services. "Public disposal services" shall mean the customer use of the City of Tacoma recovery and transfer center for disposal of solid waste.

Public solid waste collection and disposal services. "Public solid waste collection and disposal services" shall mean all services provided by the Solid Waste Management Division to commercial and residential customers for the collection and disposal of solid waste under authority of Chapter 12.09 of the Tacoma Municipal Code; provided that, public solid waste collection and disposal services shall not include public disposal services.

Residential customer. "Residential customer" shall have the same meaning as that term is given pursuant to Chapter 12.09 of the Tacoma Municipal Code, as now, or may hereafter be amended.

Solid waste. "Solid waste" shall have the same meaning as that term is given pursuant to Chapter 12.09 of the Tacoma Municipal Code, as now, or may hereafter be amended.

Solid waste collection business. "Solid waste collection business" means every person, other than the City, who receives solid waste for transfer, storage, or disposal including but not limited to all solid waste collection services.



1 **6A.130.030 Imposition of Local Solid Waste Customer Excise Tax.**

2 A. Imposition of local solid waste customer excise tax. There is hereby imposed a local solid waste
3 customer excise tax upon the privilege of doing business in or residing in the City

4 B. Rate. The rate for the local solid waste customer excise tax imposed pursuant to this chapter shall be
5 equal to six percent (6%) of the charges paid for public solid waste collection and disposal services, the
6 availability of public solid waste collection and disposal services, and private solid waste collection and
7 disposal services.

8 C. When due. The local solid waste excise tax shall be due and payable at the time of payment of the
9 charges for public solid waste collection and disposal services, availability of public solid waste
10 collection and disposal services, and private solid waste collection and disposal services.

11 D. Collection and remittance of tax by City. The local solid waste customer excise tax imposed upon
12 charges for public solid waste collection and disposal services and the availability of public solid waste
13 collection and disposal service, shall be collected by the City at the time of payment of charges for such
14 services.

15 E. Collection and remittance of tax by solid waste collection business. Any person who receives any
16 payment for private solid waste collection and disposal services shall collect the amount of the local solid
17 waste customer excise tax imposed from the person making the payment and shall remit the same as
18 herein provided. The local solid waste customer excise tax amount required to be collected under this
19 chapter shall be deemed to be held in trust by the one required to collect the same until remitted to the
20 City as herein provided.

21 Any person required under this chapter to collect the local solid waste customer tax imposed upon
22 charges paid for private solid waste collection and disposal services, that fails to collect the same, or
23 having collected the same, fails to remit the same to the City in the manner prescribed by this chapter,
24 whether such failure be the result of the person's own act or the result of acts or conditions beyond their
25 control, shall nevertheless be personally liable to the City for the amount of such tax.

26 The local solid waste customer excise tax imposed hereunder upon charges for private solid waste
27 collection and disposal services collected at the time the charge is paid by the person receiving private
28 solid waste collection and disposal services shall be reported and remitted by the person receiving the tax
29 to the Director in quarterly or monthly installments as determined by the Director.

30 **6A.130.040 Exemptions.**

31 The local solid waste excise tax imposed pursuant to this chapter shall not apply to:

32 (a) rates and fees charged for private and public solid waste collection and disposal services when
33 received by any agency, division, or branch of the federal government or to services rendered under a
34 contract therewith.

35 (b) rates and fees charged by the City to a county, city or town for public solid waste collection or
36 disposal services received under a solid waste services agreement.

37 (c) rates and fees charged customers with a residence or place of business located outside of the
38 corporate boundaries of City to collect and dispose of solid waste generated and collected outside of the
39 corporate boundaries of the City.

40 * * *



EXHIBIT "B"

**TMC 6A.10
General Tax Provisions**

6A.10.020 Tax definitions.

The following definitions apply to each section in this subtitle of the Tacoma Municipal Code ("TMC"):

"Calendar year" means January 1 through December 31 of each year.

"Cash basis" means a basis of accounting which recognizes revenues and expenses as occurring in the reporting period when they were actually either received or paid.

"Certificate" means "license certificate" as defined in Subtitle 6B.10.

"Charitable organization" means any organization recognized as a nonprofit corporation under the provisions of Chapter 24.03 of the Revised Code of Washington ("RCW")¹ and exempt from the Washington State business and occupation tax pursuant to RCW 82.04.3651.

"City" means the City of Tacoma and all of its departments, including Tacoma Public Libraries and Tacoma Public Utilities. It does not include the Metropolitan Park District of Tacoma, Port of Tacoma, Tacoma School District, or Tacoma Housing Authority, which are separate municipal corporations.

"Department" means the Tax and License Division of the Finance Department of the City or any successor department.

"Director" means the Director of the Finance Department of the City or any officer, agent, or employee of the City designated to act on the Director's behalf.

"Gambling" means any activity included in the provisions of RCW 9.46.0237.

"Generally accepted accounting principles" means those national accounting standards promulgated by the Financial Accounting Standards Board for businesses and nonprofit associations or by the Governmental Accounting Standards Board for state agencies or local governments.

"Gross income" means the value proceeding or accruing by reason of the transaction of business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidence of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments, however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued without any deduction on account of losses.

"Gross receipts" has the same meaning as gross income.

"Liquor" shall have the same meaning as RCW 66.04.010.

"Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, club, company, joint stock company, business trust, municipal corporation, political subdivision of the state of Washington, corporation, limited liability company,



association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, and the United States or any instrumentality thereof.

1 "Records" means the books of accounts and other business-related records of a taxpayer subject to the
2 City's Tax Code or License Code. Such records include ledgers, subsidiary ledgers, invoices, receipts,
3 registration and incorporation documents, federal, state and local tax returns, and any other records
4 necessary to establish the amounts due under the provisions of the City's Code.

4 "Reporting period" means:

5 1. A one-month period beginning the first day of each calendar month (monthly reporting period); or

6 2. A three-month period beginning the first day of January, April, July, or October of each year
7 (quarterly reporting period); or

8 3. A twelve-month period beginning the first day of January of each year (annual reporting period).

8 "Return" means any document a person is required by the City to file to satisfy or establish a tax
9 obligation that is administered or collected by the City and that has a statutorily defined due date.

10 "Successor" means any person to whom a taxpayer quitting, selling out, exchanging, or disposing of a
11 business sells or otherwise conveys, directly or indirectly, in bulk and not in the ordinary course of
12 business of the taxpayer's business, any part of the materials, supplies, merchandise, inventory, fixtures,
13 or equipment of the taxpayer. Any person obligated to fulfill the terms of a contract shall be deemed a
14 successor to any contractor defaulting in the performance of any contract as to which such person is a
15 surety or guarantor.

13 "Tax" means the amount, usually based upon gross income, assessed upon a person doing business under
14 the provisions of Subtitle 6A of the TMC for the privilege of doing business in the City or assessed upon
15 the privilege of residing in the City.

15 "Tax Code" means the Subtitle 6A of the TMC.

16 "Tax year" or "taxable year" means the calendar year.

17 "Taxpayer" means any person subject to the provisions of Subtitles 6A and/or 6B of the TMC, regardless
18 of whether they owe or have previously paid taxes to the City.

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