TO: Elizabeth Pauli, City Manager
FROM: Andy Cherullo, Finance Director,
COPY: Government Performance Finance Committee
PRESENTER: Danielle Larson, Tax & License Manager
SUBJECT: Tacoma Municipal Code Title 6 Amendments – Clean Up
DATE: October 16, 2018

PRESENTATION TYPE:
Request for Ordinance

SUMMARY:
Staff is proposing to amend Title 6 – Tax& License code after a comprehensive review identifying areas of inconsistency in the Tacoma Municipal Code (TMC), repealing regulatory licenses no longer needed, and other simple language clean up. Staff is seeking a recommendation to take the proposed amendments to the full council for consideration.

BACKGROUND:
A comprehensive review of Title 6 has not been conducted since 2005 when the City adopted the Model Tax Ordinance. At that time Title 6 was separated into two subchapters creating separate tax and license codes.

ISSUE:
- Removing unnecessary sections titled Administrative and Exercise of License/Tax Power
- Removing reference to license "fee" language in Subchapter 6A Tax Code
- Removing reference to "tax" language in Subchapter 6B License Code
- Removing sections that are no longer effective
- Removing overpayment language in some tax chapters to allow for consistent application of administrative procedures in 6A.10
- Adding clarifying language to tax definition, deduction and exemption sections
- Consolidating or removing some regulatory license fees
- Updating language in 6A.40 Communications Tax to be consistent with required federal sourcing rules regarding how telecommunication services are taxed. These amendments do not change how the tax is currently being administered.
- Repealing licenses that are no longer needed because the City regulates through a different department or no longer needs to regulate the specific activity

ALTERNATIVES:

FISCAL IMPACT:
There is no fiscal impact.

RECOMMENDATION:
Staff recommends the proposed amendments move to the full council for consideration to clean up inconsistent language and other identified areas of clean up in Title 6.