

POULSBO DISTRIBUTION SCHEDULE

ORDINANCE NO. 2021-07

SUBJECT: Additional Sales and Use Tax for Housing and Related Services

CONFORM AS TO DATES & SIGNATURES

- ☒ Filed with the City Clerk: 07/08/21
- ☒ Passed by the City Council: 07/14/21
- ☒ Signature of Mayor
- ☒ Signature of City Clerk
- ☒ Publication: 07/19/21
- ☒ Effective: 01/01/2022
- ☐ Recorded: _____

DISTRIBUTED COPIES AS FOLLOWS:

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- ☐ City Attorney
- ☒ Clerk's Department:
- ☐ City Council
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Rhiannon Fernandez

City Clerk

07/15/21

Date

ORDINANCE NO 2021-07

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, IMPOSING AN ADDITIONAL SALES AND USE TAX OF ONE-TENTH OF ONE PERCENT FOR HOUSING AND RELATED SERVICES AS AUTHORIZED BY RCW 82.14.530; ADDING A NEW CHAPTER 3.23 TO THE POULSBO MUNICIPAL CODE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Poulsbo has a critical need for additional funding to provide affordable housing and housing-related services for the homeless or people in danger of becoming homeless; and

WHEREAS, housing affordability and homelessness are growing problems in the City of Poulsbo which require prompt attention to reduce human suffering for the City's residents; and

WHEREAS, RCW 82.14.530 authorizes the imposition of an additional sales and use tax of one-tenth of one percent to be used for funding affordable housing; and

WHEREAS, under HB 1590, passed by the state legislature as Chapter 222, Laws of 2020, counties were given the exclusive right to impose the tax until September 30, 2020 and cities were given the right to impose the tax thereafter as long as the county had not already done so; and

WHEREAS, Kitsap County did not impose the additional sales and use tax by September 30, 2020 and has not imposed the tax as of the date of passage of this ordinance; and

WHEREAS, the Poulsbo City Council has determined that the tax should be imposed and that the proceeds will be used for those purposes authorized by RCW 82.14.530, including constructing affordable housing, constructing mental and behavioral health-related facilities, and funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers; now, therefore,

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY ORDAINS AS
FOLLOWS:**

Section 1. Additional Sales and Use Tax Imposed. A new Chapter 3.23 entitled, "Additional Sales and Use Tax for Housing and Related Services" is hereby added to the Poulsbo Municipal Code imposing the one-tenth of one percent sales and use tax authorized by RCW 82.14.530 and to read as follows:

3.23.010 Imposed.

There is hereby imposed an additional sales and use tax, separate and apart from any other sales and use tax imposed by the City, upon every taxable event occurring in the City, for housing and related services as authorized by RCW 82.14.530.

3.23.020 Taxable Event.

As used in this chapter, the term "taxable event" has the meaning set forth in RCW 82.14.020.

3.23.030 Rate.

The rate of the sales and use tax imposed by this chapter shall be one-tenth of one percent of the selling price, in the case of a sales tax, or the value of the article used, in the case of a use tax.

3.23.040 Persons subject to tax.

The tax shall be imposed upon and collected from those persons from whom the state sales tax or use tax is collected pursuant to RCW 82.08 and 82.12.

3.23.050 Use of proceeds of tax.

Moneys collected from the tax shall be used solely for those housing and related services authorized by RCW 82.14.530, as the same now exists or as hereafter amended.

3.23.060 Credit against County tax.

As provided in RCW 82.14.530, if Kitsap County subsequently imposes a sales and use tax for housing and related services as authorized by such statute, the County shall provide a credit against its tax for the full amount of the tax imposed by the City.

3.23.070 Administration.

The provisions of Chapter 3.16 PMC, as the same now exist or as hereafter amended, including penalties, shall apply to the tax imposed by this section to the extent the same are consistent with the requirements of RCW 82.14.530.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court, board or tribunal 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. This ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after publication, provided, that the additional sales and use tax authorized by this section shall collected on taxable events occurring on and after January 1, 2022, or the soonest date thereafter on which the Washington State Department of Revenue is in a position to collect the tax and remit the same to Poulsbo. The Finance Director is directed to work with the department of revenue to begin collection of the tax on the soonest possible date.

APPROVED:

DocuSigned by:

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 MAYOR, BECKY ERICKSON

ATTEST/AUTHENTICATED

DocuSigned by:

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CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM:

DocuSigned by:

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JAMES E. HANEY, CITY ATTORNEY

FILED WITH CITY CLERK: 07/08/2021
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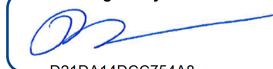
SUMMARY OF ORDINANCE NO. 2021-07

On July 14, 2021, the City Council of the City of Poulsbo passed Ordinance No. 2021-07. A summary of the content of said ordinance, consisting of the title, provides as follows:
The full text of this ordinance will be mailed upon request.

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, IMPOSING AN ADDITIONAL SALES AND USE TAX OF ONE-TENTH OF ONE PERCENT FOR HOUSING AND RELATED SERVICES AS AUTHORIZED BY RCW 82.14.530; ADDING A NEW CHAPTER 3.23 TO THE POULSBO MUNICIPAL CODE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

DATED this 14th day of July, 2021.

DocuSigned by:



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CITY CLERK RHIANNON FERNANDEZ