

POULSBO DISTRIBUTION SCHEDULE

ORDINANCE NO. 2024-07

SUBJECT: B&O Tax Ordinance Amending Exemption Threshold

CONFORM AS TO DATES & SIGNATURES

- Filed with the City Clerk: 03/28/2024
- Passed by the City Council: 04/03/2024
- Signature of Mayor
- Signature of City Clerk
- Publication: 04/08/2024
- Effective: 07/01/2024
- Recorded: _____

DISTRIBUTED COPIES AS FOLLOWS:

- Seattle Times: 04/04/2024
- Code Publishing
- City Attorney
- Clerk's Department:
- City Council
- Finance:
- Posted to Library Drive and Website
- Posted to Laserfiche
- Scanned and Tossed: _____
- Electronically Created Document (No Hard Copy Exists)
- _____

Kati Diehl
Deputy City Clerk

04/04/2024
Date

ORDINANCE NO. 2024-07

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON; AMENDING POULSBO MUNICIPAL CODE SECTIONS 3.34.030 AND 3.34.130 TO INCREASE THE THRESHOLD AMOUNT FOR TAX EXEMPTION; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on December 13, 2023, the Poulsbo City Council adopted Ordinance 2023-18 establishing a Business and Occupation Tax based on the model ordinance (“model ordinance”) prepared by the Association of Washington Cities; and

WHEREAS, the model ordinance provided for an exemption to the assessment of the business and occupation tax if a business reported a total gross income equal to or less than \$20,000 in a calendar year; and

WHEREAS, during discussions on October 18, 2023, and December 6, 2023, the Poulsbo City Council discussed and decided to adopt an increased threshold amount of gross income to be exempt from the assessment of the business and occupation tax, but that change was not reflected in the ordinance prior to its adoption on December 13, 2023; and

WHEREAS, the Poulsbo City Council has determined that the increased threshold amount of gross income to qualify for an exemption from the business and occupation tax, as established herein, is in the best interest of the public health, safety, and welfare, and therefore adopts this code amendment as set forth herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Adoption of Findings of Fact. The Poulsbo City Council hereby adopts the foregoing recitals and incorporates them herein as findings of fact in support of these amendments.

Section 2. Amendment of Pousbo Municipal Code Section 3.34.030. PMC

Section 3.34.030(B) is hereby amended to read as follows:

The gross receipts tax imposed in this section shall not apply to any person whose gross proceeds of sales, gross income of the business, and value of products, including by-products, as the case may be, from all activities conducted within the city during any calendar year is less than one hundred and twenty-five thousand dollars.

Section 3. Amendment of Pousbo Municipal Code Section 3.34.130. PMC

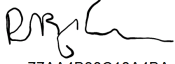
Section 3.34.130(D) is hereby amended to read as follows:

For purposes of the tax imposed by this chapter, any person whose value of products, gross proceeds of sales, or gross income of the business, subject to tax after all allowable deductions, is equal to or less than one hundred and twenty-five thousand dollars in the current calendar year shall file a return, declare no tax due on their return, and submit the return to the director. The gross receipts and deduction amounts shall be entered on the tax return even though no tax may be due.

Section 4. 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 of any other section, sentence, clause or phrase of this ordinance.

Section 5. Effective Date. This ordinance shall take effect and be in full force July 1, 2024.

APPROVED:

DocuSigned by:

77AA4B38C18A4BA
MAYOR, BECKY ERICKSON

ATTEST/AUTHENTICATED:

DocuSigned by:
Rhiannon Fernandez
D21DA14DCC754A8...
CITY CLERK, RHIANNON FERNANDEZ, CMC

APPROVED AS TO FORM
OFFICE OF THE CITY ATTORNEY:

DocuSigned by:
Emily Romanenko
833D0DC7E3647E...
OGDEN MURPHY WALLACE PLLC

FILED WITH THE CITY CLERK: 03/28/2024
PASSED BY THE CITY COUNCIL: 04/03/2024
PUBLISHED: 04/08/2024
EFFECTIVE DATE: 07/01/2024
ORDINANCE NO. 2024-07

SUMMARY OF ORDINANCE NO. 2024-07
of the City of Poulsbo, Washington

On the 3rd day of April, 2024, the City Council of the City of Poulsbo, passed Ordinance No. 2024-07. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON; AMENDING POULSBO MUNICIPAL CODE SECTIONS 3.34.030 AND 3.34.130 TO INCREASE THE THRESHOLD AMOUNT FOR TAX EXEMPTION; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this Ordinance will be mailed upon request.

DATED this 3rd day of April, 2024.

DocuSigned by:

Rhiannon Fernandez

D21DA14DCC754A8...

CITY CLERK, RHIANNON FERNANDEZ