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CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4149

AN ORDINANCE imposing a use tax for the privilege of using natural gas or manufactured gas in the City as a consumer; and adding a new section 4.10.045 to the Bellevue City Code.

WHEREAS, in 1989 the State Legislature adopted Chapter 384, Laws of 1989, codified as RCW 82.14.230, authorizing the governing body of any city to fix and impose on every person a use tax for the privilege of using natural gas or manufactured gas in the city as a consumer; and

WHEREAS, this legislation was adopted in recognition that federal regulations governing the sale of brokered natural gas have resulted in a significant loss of revenue to cities from the utility tax on natural gas; and

WHEREAS, the City Council desires to impose a use tax as authorized by RCW 82.14.230; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. A new Section 4.10.045 is hereby added to the Bellevue City Code, to read as follows:

4.10.045 Use Tax on the Privilege of Using Natural Gas or Manufactured Gas as a Consumer.

A. As authorized by RCW 82.14.230, there is hereby fixed and imposed on every person a use tax for the privilege of using natural gas or manufactured gas in the City as a consumer. The tax shall be in an amount equal to the value of the article used by the taxpayer multiplied by the rate of tax on the business of selling or furnishing gas for domestic, business or industrial consumption set forth in Bellevue City Code 4.10.040.C. The "value of the article used" shall have the meaning set forth in RCW 81.12.010(1), and does not include any amounts that are paid for the hire or use of a natural gas business in transporting the gas subject to tax under this section if those amounts are subject to tax under Bellevue City Code 4.10.040.C.

B. The tax imposed under this section shall not apply to the use of natural or manufactured gas if the person who sold the gas to the consumer has paid a tax under Bellevue City Code 4.10.040.C with respect to the gas for which exemption is sought under this subsection.

C. There shall be a credit against the tax levied under this section in an amount equal to any tax paid by:

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1. The person who sold the gas to the consumer when that tax is a gross receipts tax similar to that imposed pursuant to Bellevue City Code 4.10.040.C by another state with respect to the gas for which a credit is sought under this subsection; or

2. The person consuming the gas upon which a use tax similar to the tax imposed by this section was paid to another state with respect to the gas for which a credit is sought under this subsection.

D. The use tax hereby imposed shall be paid by the consumer. The administration and collection of the tax hereby imposed shall be by the Washington State Department of Revenue pursuant to RCW 82.14.050.

Section 2. The tax hereunder established shall take effect and be in force on July 1, 1990.

Section 3. This ordinance shall take effect and be in force five days after its passage and legal publication.

PASSED by the City Council this 18th day of June, 1990, and signed in authentication of its passage this 18th day of June, 1990.

(SEAL)

Don Davidson, Mayor pro tem

Approved as to form:

Richard L. Andrews, City Attorney

Richard Gidley, Deputy City Attorney

Attest:

Marie K. O'Connell, City Clerk

Published June 22, 1990