WP0535C-ORD
11/30/95

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CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4842

AN ORDINANCE relating to the gambling tax of the City of Bellevue; repealing Chapter 4.14 of the Bellevue City Code; adding a new Chapter 4.14 to the Bellevue City Code; and establishing an effective date.

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

Section 1. Chapter 4.14 of the Bellevue City Code, the Gambling Tax Code, and Sections 4.14.010 through .070 inclusive, thereof, is repealed.

Section 2. A new Chapter 4.14 is added to the Bellevue City Code, to be designated the Gambling Tax Code, to read as follows:

Sections:

4.14.010 Exercise of revenue license power.
4.14.015 General administrative provisions apply.
4.14.020 Definitions.
4.14.025 Tax imposed.
4.14.030 Tax rate on gambling activities.
4.14.035 Punchboards and pull-tabs - Distribution of revenue.
4.14.040 Exemptions.
4.14.045 Deductions.

4.14.010 <u>Exercise of Revenue License Power.</u>

The provisions of this Chapter constitute an exercise of the power of the City to license for revenue and to tax certain gambling activities pursuant to chapter 9.46 RCW.

4.14.015 <u>General Administrative Provisions Apply</u>.

The provisions of Chapter 4.02 of the Bellevue City Code, the Tax Administration Code, shall be fully applicable to the provisions of this Chapter 4.14 except as expressly stated to the contrary herein.

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4.14.020 Definitions.

The definitions set forth in Chapter 4.02 of the Bellevue City Code shall apply throughout this Chapter 4.14, unless expressly provided otherwise herein. The following additional definitions shall apply throughout this Chapter:

A. "Amusement game" means a game played for entertainment in which the contestant actively participates, the outcome depends in a material degree upon the skill of the contestant and meets the requirements of RCW 9.46.0201, as it may be amended or replaced from time to time.

B. "Chapter" means Chapter 4.14 of the Bellevue City Code, as it may be amended or replaced from time to time.

C. "Punchboard" means a board with many holes filled with rolled-up printed slips to be punched out on payment of a nominal sum in an effort to obtain a slip that entitles the player to a designated prize and meets the requirements of RCW 9.46.0273, as it may be amended or replaced from time to time.

D. "Pull-tabs" means a game in which the participant, on payment of a nominal sum, receives a paper tab from a dispenser which is pulled apart to reveal a designated prize and meets the requirements of RCW 9.46.0273, as it may be amended or replaced from time to time.

E. "Bingo" means a game in which prizes are awarded on the basis of designated numbers or symbols on a card conforming to numbers or symbols selected at random and which meets the requirements of RCW 9.46.0205, as it may be amended or replaced from time to time.

F. "Raffle" means a game in which tickets bearing an individual number are sold for not more than five dollars each and in which a prize or prizes are awarded on the basis of a drawing from the tickets and which meets the requirements of RCW 9.46.0277, as it may be amended or replaced from time to time.

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G. "Bona fide charitable or nonprofit organization" shall have the meaning set forth in RCW 9.46.0209, as it may be amended or replaced from time to time.

4.14.025 Tax Imposed.

There is levied and shall be collected from all persons, associations and organizations who have been duly licensed by the Washington State Gambling Commission a tax on the act of conducting or operating any bingo game, raffle, amusement game, punchboard or pulltab activity. Such tax shall be levied at the rates set forth in this Chapter on the gross revenue of activities taxable under this Chapter.

4.14.030 Tax Rate on Gambling Activities.

Upon every person engaging within this City in the act of conducting or operating the following gambling activities; as to such persons, the amount of tax with respect to such activities shall be equal to the gross revenue from such activities multiplied by the following tax rates:

	Activity	Tax Rate
A.	Bingo Games	10.0%
B.	Raffles	10.0%
C.	Amusement Games	2.0%
D.	Sales of Punchboards and Pull-tabs	5.0%

4.14.035 Punchboards and Pull-tabs - Distribution of Revenue.

All revenue from the tax levied on the gross revenues from sales of punchboards and pull-tabs pursuant to Section 4.14.030(D), including any interest or other earnings thereon, shall, to the extent not required to enforce gambling laws in accordance with RCW 9.46.113, as it may be amended or replaced from time to time, be used for the purpose of providing youth facilities; provided that nothing contained in this Chapter shall preclude the use of such funds for facilities that may also be used by other persons.

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4.14.040 Exemptions.

The tax levied pursuant to this Chapter is in lieu of any excise privilege or occupational tax based on gross revenue under any other chapter of Title 4 of the Bellevue City Code with respect to activities taxed under this Chapter. Nothing herein shall be construed to exempt persons taxable under the provisions of this Chapter from any tax imposed under any other Chapter of Title 4 with respect to activities other than those expressly taxed under this Chapter.

The following shall be exempt from any tax imposed under this Chapter:

A. Any bona fide charitable or nonprofit organization conducting or operating bingo games whose gross revenue from such activities, less applicable deductions, is less than five thousand dollars per tax year shall be exempt from the tax imposed under Section 4.14.030(A).

B. Any bona fide charitable or nonprofit organization conducting or operating amusement games whose gross revenue from such activities, less applicable deductions, is less than five thousand dollars per tax year shall be exempt from the tax imposed under Section 4.14.030(C).

4.14.045 Deductions.

In computing the tax imposed by this Chapter, the following items may be deducted from the gross revenue otherwise subject to the tax.

A. The first ten thousand dollars of gross revenue, less amounts paid out for prizes, from raffles conducted by bona fide charitable or nonprofit organizations.

B. Amounts paid out for prizes or as prizes for amusement games, bingo games, and raffles may be deducted from the gross revenue generated from those activities.

C. Amounts derived from business which the City is prohibited from taxing under the Constitution or laws of this State or of the United States.

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Section 3. The provisions of Sections 1 and 2 of this ordinance shall take effect on January 1, 1996.

Section 4. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

PASSED by the City Council this 11th day of December, 1995, and signed in authentication of its passage this 11th day of December, 1995.

(SEAL)

Donald S. Davidson, DDS, Mayor

Approved as to form:

Richard L. Andrews, City Attorney

Richard L. Kirkby, Assistant City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 1995