

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5815

AN ORDINANCE amending the Bellevue City Code to clarify that certain activities are exempt from the Utility Occupation Tax; amending Sections 4.10.020, 4.10.045 and 4.10.050 of the Bellevue City Code; and establishing an effective date.

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

Section 1. Section 4.10.020 of the Bellevue City Code is hereby amended by the addition of the following new definition:

Q. "Utility service" or "utility services" means any of the activities engaged in by taxpayers subject to the Utility Occupation tax pursuant to Section 4.10.030.

Section 2. Section 4.10.045 of the Bellevue City Code is hereby amended to read as follows:

**4.10.045 Exemptions.**

The tax levied pursuant to this chapter is in lieu of any excise, privilege or occupational tax based on gross proceeds under any chapters of BCC Title 4 with respect to activities specifically within the provisions of this chapter. Nothing herein shall be construed to exempt persons taxable under the provisions of this chapter from tax under any other chapters of BCC Title 4, including but not limited to BCC ch. 4.09, Business & Occupation Tax, with respect to activities other than those specifically taxable within the provisions of this chapter.

Section 3. Section 4.10.050 of the Bellevue City Code is hereby amended to read as follows:

**4.10.050 Deductions.**

In computing the tax imposed by this chapter, the following items may be deducted from the measure of the tax; provided however, that such deductions may be subject to tax under other chapters of BCC Title 4, including but not limited to BCC ch. 4.09, Business & Occupation Tax:

A. The amount of credit losses actually sustained by taxpayers whose regular books are kept upon an accrual basis.

B. Charges by a taxpayer engaging in any utility occupation activity subject to this Chapter for sales of utility services to any purchaser engaged in the same utility occupation activity that the purchaser buys for the purpose of resale.

C. That portion of the gross income derived from charges to another telecommunications company for connecting fees, switching charges, or carrier access charges relating to intrastate toll telephone services, or for access to, or charges for, interstate services.

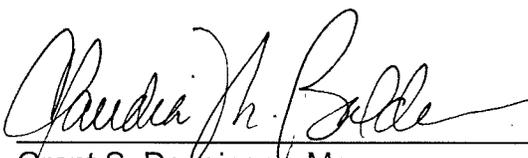
D. Adjustments made to a billing or to a customer account or to a telecommunications company accrual account in order to reverse a billing or charge that had been made as a result of third-party fraud or other crime and was not properly a debt of the customer.

E. Amounts derived from business which the city is prohibited from taxing under the Constitution or laws of this state or of the United States.

Section 4. This ordinance shall take effect thirty days after its adoption and legal publication.

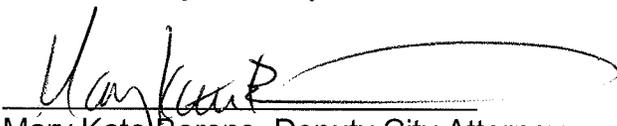
PASSED by the City Council this 19<sup>th</sup> day of May, 2008, and signed in authentication of its passage this 19<sup>th</sup> day of May, 2008.

(SEAL)

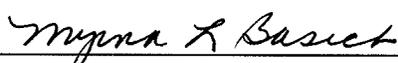
  
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Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

By:   
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Mary Kate Berens, Deputy City Attorney

Attest:

  
\_\_\_\_\_  
Myrna L. Basich, City Clerk

Published May 22, 2008