

BOARD OF COUNTY COMMISSIONERS
COUNTY OF KITTITAS
STATE OF WASHINGTON

ORDINANCE NO. 2018-007

AN ORDINANCE AMENDING KITTITAS COUNTY CODE CHAPTER 3.22 – ADMISSIONS TAX

Whereas: Chapter 3.22 of the Kittitas County Code imposes an admissions tax in Kittitas County, as authorized by chapter 36.38 RCW; and

Whereas: The amendments to Chapter 3.22 of the Kittitas County Code, as set forth below, will enhance the process for collecting, administering, and enforcing the admissions tax ordinance; and

Whereas: The Board of County Commissioners believes the amendments to Chapter 3.22 of the Kittitas County Code, as set forth below, will be in the best interest of Kittitas County;

Whereas: A public hearing was held on May 15, 2018, and the public was provided due notice and opportunity to provide testimony on the proposed ordinance;

NOW, THEREFORE, BE IT ORDAINED, Kittitas County Code Chapter 3.22 shall be amended and shall read (additions are shown by underline and deletions by ~~strikeout~~; the rest of Chapter 3.22 shall remain in full force and effect) as set forth in Exhibit A.

BE IT ALSO ORDAINED, the Information Technology Department is charged with incorporating and updating the amendments authorized herein on the Kittitas County web page.

BE IT FURTHER ORDAINED, the Prosecuting Attorney's Office is charged with correcting any scrivener's errors arising out of the amendment process. No further authorization will be needed from the Kittitas Board of County Commissioners for the Prosecuting Attorney's Office to effect correction of scrivener's errors relating to this Ordinance.

ADOPTED this 15th day of May, 2018, at Ellensburg, Washington.


**BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON**



Laura Osiadacz, Chair



Oble O'Brien, Vice-Chair



Paul Jewell, Commissioner





Clerk of the Board

**Chapter 3.22
ADMISSIONS TAX**

Sections

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Previously repealed by Ord. 2001-05.

3.22.010 Definitions.

For purposes of this chapter, words and phrases shall have the following meanings:

- a. "Admissions charge," in addition to its usual and ordinary meaning includes but shall not be limited to a charge for participation in an event or activity; a charge made for season tickets or subscriptions, or a charge made for use of seats and tables, reserved or otherwise, and other similar accommodations; and a charge made for rental or use of equipment or facilities for purpose of recreation or amusement, and where the rental of the equipment or facilities is necessary to the enjoyment of the privilege for which a general admission is charged, the combined charges shall be considered as an admission charge. A donation for admittance shall also be deemed an admission charge. Admission charge includes any money paid within or without of Kittitas County for any of the kinds of admission charges defined herein so long as the facilities, entertainment, recreation or amusement privilege derived from such admission charge occurs in Kittitas County.
- b. "Auditor" means the Kittitas County Auditor's Office.
- c. "County" means the County of Kittitas, State of Washington.
- d. "Nonprofit organization" means any organization organized and operated for charitable, education or other purposes, which is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, and which is also registered with the Washington Secretary of State.
- e. "Person" means any individual, receiver, assignee, firm, partnership, joint stock company, association, society, corporation, or any group of individuals acting as a unit whether mutual, cooperative, fraternal, nonprofit or otherwise. It shall not include the State of Washington nor the U.S. government.
- f. "Place" means and includes, but is not restricted to theaters, dancehalls, amphitheaters, auditoriums, stadiums, athletic pavilions and fields, baseball and athletic parks, circuses, side shows, swimming pools, outdoor amusement parks, carnivals, fairs, rodeos, concerts, mountain recreation areas, snow recreation areas, bowling alleys and golf courses, marathon, bicycle, horse, or motor vehicle routes.
- g. "Treasurer" means the Kittitas County Treasurer's Office.

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.020 Imposition.

- a. There is levied and imposed an admissions tax in the amount of five percent (5%) of the admission charge. Such taxable activities or events, unless exempted in Section 3.22.030 herein, include but are not limited to:
 - i. golf
 - ii. rodeos
 - iii. county fairs
 - iv. circuses
 - v. bowling
 - vi. football, basketball, and baseball games
 - vii. snow tubing/sledding areas
 - viii. cinema and films

- ix. musical concerts or other performances
 - x. cross country ski area
 - xi. rental of equipment and/or facilities for the purpose of recreation or amusement.
- b. Such admissions tax is levied and imposed upon any person (including children, without regard to age) who pays an admission charge to any place not exempted in Section 3.22.030 herein, including persons who are admitted at reduced rates to any place for which other persons pay a charge or a regular higher price for the same or similar privileges or accommodations.

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.030 Exemptions.

- a. The admissions tax imposed by this ordinance shall not apply to the purchase of a permit from a governmental entity, including but not limited to Discover Passes, Groomed Trail Passes, and Snow Park Permits.
- b. The admissions tax imposed by this ordinance shall not apply to any person paying an admission to any activity or event sponsored or conducted by an "elementary" or "secondary" school. For purposes of this ordinance "elementary" or "secondary" school means a school enrolling students in grades kindergarten through twelve.
- c. The admissions tax imposed by this ordinance shall not apply to any portion of an admission charge which is designated for donation to a nonprofit organization as defined in this chapter, provided: to otherwise qualify for this exemption, the natural or corporate person charging admission to any place must: obtain advanced, written approval from the legislative authority of the county; clearly identify the portion of the admission charge designated as a donation on the face of the ticket; and, provide the Auditor with sufficient documentation, including books, records and/or accounts, to clearly establish donated amounts collected and delivered to the nonprofit organization, by December 31st of each year.
- d. The admissions tax imposed by this ordinance shall not apply to a charge or fee paid by contestants in order to participate in an event or activity, if the charge or fee paid is actually used to fund cash payouts to the contestants. Any portion of such charge or fee that is not used to fund cash payouts to the contestants is still subject to the admissions tax. This exemption does not apply to charges or fees paid by spectators to the event or activity, even if such charge or fee is used to fund cash payouts.
- e. The admissions tax imposed by this ordinance shall not apply to a charge or fee paid to participate in or attend: weddings, graduation parties, birthday parties, family reunions, or corporate gatherings where the attendees are employees or other close affiliates of the corporation. This exemption only applies to the portion of the charge or fee used to cover the cost of the event or activity. This exemption does not apply to: 1) businesses; 2) any event or activity that is publicly advertised and open to the general public; or 3) any event or activity listed in Section 3.22.020(a).

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.040 Price to show on ticket.

Whenever a charge is made for admission to any place, a serially numbered or reserved ticket shall be furnished to the person paying such charge unless written approval has been obtained from the

Auditor to use a turnstile or other counting device which will accurately count the number of paid admissions. The established admission price, admissions tax imposed by this ordinance, and total price at which every such admission ticket or card is sold shall be conspicuously and indelibly printed or written on the face or back of that part of the ticket which shall be taken up by the management of the place to which admission is gained, and such part of the ticket must also be kept and preserved by management for a period of five (5) years, as provided for by KCC 3.22.090. The admissions tax due shall be based on the established price printed on each ticket. When a charge is made for admission, a sign must also be posted in a conspicuous place on the entrance or ticket office which breaks down the admission charge as follows:

Admission charge
 County admissions tax
 Total price

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.050 Collection and payment.

- a. Any person, including any municipal or quasi-municipal corporation, who receives any payment for admissions on which a tax is levied under this chapter shall collect the amount of the tax imposed from the person making the admission payment and shall remit the same as provided for in this section. The tax imposed shall be collected at the time admission charge is paid by the person seeking admission to any place and shall be reported and remitted by the person receiving the tax to the Treasurer in quarterly or monthly installments on or before the last day of the month next succeeding the end of the quarterly or monthly period in which the tax is collected or received. The county may extend the time for making and filing the return and remittance of the tax for a period not to exceed thirty (30) days. Payment or remittance of the tax collected may be made by check or credit card, unless payment or remittance is otherwise required by the county. Checks should be made payable to the Kittitas County Treasurer. Payment by check shall not relieve the person collecting the tax from liability for payment and remittance of the tax unless the check is honored and in the full and correct amount. Any person receiving any payment for admissions shall make out a return upon such forms providing the information the county may require. Whenever any person makes an admission charge which is subject to the law levied in this ordinance, and the same is of a transitory or temporary nature, of which the county shall be the judge, the county shall require the report and remittance of the admissions tax immediately upon the collections of the tax at the conclusion of the performance or exhibition, or at the conclusion of a series of performances or exhibitions, or at such other time as the county shall determine. The Treasurer may require the person owing the tax to the County under this ordinance to deposit a sum of money or bond in advance of any performance, show or amusement. This deposit or bond shall be returned upon the faithful compliance with the provisions of this ordinance.
- b. Failure to comply with any requirements of the county as to reporting and remitting the tax shall be a violation of this ordinance.
- c. The books, records and accounts of every person collecting a tax levied in this ordinance shall, as to admission charges and tax collections, be subject to examination and audit by the Auditor at all reasonable times.

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.060 Penalty for late payment.

- a. If payment of any tax due under this ordinance is not received by the Treasurer by the last day of the month in which the tax was due, there shall be added to such tax a penalty of fifteen percent (15%) of the tax due.
- b. The Treasurer shall notify the taxpayer by mail of the amount of any penalties so added or assessed and these shall become due and payable within thirty (30) days from the date of such notice.
- c. In addition to this penalty, the Treasurer may charge the taxpayer interest of one percent of all taxes due for each thirty day period or portion thereof that such amounts are past due.
- d. Failure to make payment in full of all tax amounts and penalties within sixty (60) days following the day the tax amount initially became due shall be a civil and/or criminal violation of this section.

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.070 Registration.

Any person conducting or operating any activity for which an admission charge is made shall register on the Auditor's admissions tax website: www.co.kittitas.wa.us/admissions/. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.080 Successor to business.

Whenever any person required to pay a tax under this ordinance shall quit business or otherwise dispose of his or her business, any admissions tax payable shall immediately become due and payable, and if such tax is not paid by such person within ten (10) days from the date of such sale, exchange or disposal of the business, the purchaser or successor shall also become liable for the payment of the full amount of such tax plus accrued penalties. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.090 Recordkeeping.

It shall be the duty of every person liable for any tax imposed by this ordinance to keep and preserve for a period of five (5) years suitable records as may be necessary to determine the amount of any tax for which he or she may be liable under the provisions of this ordinance. Any taxpayer who fails to comply with the requirements of this section is forever barred from questioning, in any court action or proceedings, the correctness of any assessment of taxes made by the County based upon any period for which such suitable records have not been so kept and preserved. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.100 Rules and regulations adopted by the County.

The county shall have the power to adopt rules and regulations not inconsistent with the terms of this ordinance for carrying out and enforcing the payment, collection and remittance of the tax levied by this ordinance and a copy of the rules and regulations shall be on file and available for public examination at the Auditor's Office. The Auditor is specifically authorized to create processes, procedures, or forms necessary to accurately audit, collect, or appeal the taxes authorized by this

chapter. Failure or refusal to comply with any rules and regulations shall be deemed a violation of this ordinance. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.110 Effective date.

This ordinance shall become effective, against all persons, thirty (30) days after passage by the Board of County Commissioners. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.120 Violation penalty.

- a. The tax imposed under this ordinance shall be deemed to be held in trust by that person required to collect the tax until it is paid to the County as herein provided. It is a misdemeanor for any person receiving payment of the tax and appropriating or converting the same to his or her own use or to any use other than the payment of the tax as provided in this ordinance to the extent that the amount of such tax is not available for payment on the due date for filing returns as provided in this ordinance. In addition to civil penalties that may be imposed, each person found guilty of violating the provisions of this subsection, unless otherwise specified, shall be subject to criminal penalties of a fine not to exceed one thousand dollars (\$1000) or imprisonment not to exceed ninety (90) days in jail, or to both a fine and imprisonment.
- b. Any person required to collect the tax imposed under this ordinance who fails to collect the same, or having collected the same, fails to remit the same, to the County in the manner prescribed by this ordinance, whether such failure be the result of his or her own act or the result of acts or conditions beyond his or her control, shall nevertheless be personally liable to the County for the amount of such tax.
- c. It is a misdemeanor punishable by a fine of not exceeding one hundred dollars for any person who is required by KCC 3.22.040: 1) to fail to furnish a serially numbered or reserved ticket to a person paying the admissions charge; or 2) to fail to conspicuously and indelibly print or write the price (exclusive of the tax to be paid by the person paying for admission) on the face or back of that part of the ticket which is to be taken up by the management of the place for which an admission charge is exacted. Each and every violation or failure to comply with the provisions of KCC 3.22.040 shall constitute a separate offense.

3.22.130 Jurisdiction.

The admissions tax enacted by this ordinance shall be imposed in all areas of Kittitas County except for incorporated areas of the County where the city or town has levied a similar tax within its corporate limits. The admissions tax levied and imposed by this ordinance shall be payable where the admission charge was paid within or without the geographical boundaries of Kittitas County so long as the facilities, entertainment, recreation or amusement privileges derived from such admission charge occurs in Kittitas County. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.140 Revenue from admissions tax.

The revenue from the admissions tax collected under this ordinance shall be deposited in the County General Fund and distributed in the following manner:

- a. The County Auditor shall retain funds as approved annually by the Board of County Commissioners for expenses directly related to implementing and collecting the tax; then

- b. The first \$100,000 in admissions tax collected each year after expenses in Section 14 (a) shall be dedicated for use by the Kittitas County Public Health Department; then
- c. All taxes collected in addition to those in Sections 14 (a) and (b) shall be placed into the County General Fund and allocated annually at the discretion of the Board of County Commissioners.

(Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.145 Chargeoff of uncollectible taxes.

- a. Every year, on the first day of February, the Treasurer shall present to the Auditor and Board of County Commissioners a list of all accounts receivable under this ordinance, which shall include a statement describing the status and collection efforts made against each account.
- b. Any tax or penalty which the Treasurer deems to be uncollectible may be transferred from accounts receivable to a suspense account and cease to be accounted an asset. However, any item so transferred shall continue to be a debt due the County from the taxpayer and may at any time within twelve years from the filing of a warrant covering such amount with the clerk of the superior court be transferred back to accounts receivable for the purpose of collection. The Board of County Commissioners, by resolution, may authorize the Treasurer to charge off as finally uncollectible any tax or penalty which it deems uncollectible at any time after twelve years from the date that the last tax return for the delinquent taxpayer was or should have been filed if the Treasurer is satisfied that there are no cost-effective means of collecting the tax or penalty.
- c. Notwithstanding subsection (a) of this section, the Board of County Commissioners, by resolution, may authorize the Treasurer to charge off any tax owed by a taxpayer under this chapter, including any penalty or interest thereon, if the Treasurer ascertains that the cost of collecting that tax would be greater than the total amount which is owed or likely in the near future to be owed by, and collectible from, the taxpayer.

3.22.150 Severability.

If any provision of this ordinance or its application to any person or circumstances is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances is not affected. (Ord. 2016-003, 2016; Ord. 2016-001, 2016)

3.22.160 General administrative, confidentiality, and enforcement provisions.

As allowed by RCW 36.38.020(13), the county adopts and incorporates into this ordinance all of the applicable general administrative, confidentiality, and enforcement provisions contained in RCW 82.32.010 through 82.32.340 and 82.32.380, as currently written or as may be amended in the future, except that in all such adopted and incorporated provisions, unless otherwise indicated by the context of said sections, (a) the term "Kittitas County Treasurer" shall be substituted for each reference made in said sections to the "department," the "department of revenue," "any employee of the department," or "director of the department of revenue"; (b) the name of the "Kittitas County" shall be substituted for each reference made in said sections to the "state" or to the "state of Washington"; (c) the term "this ordinance" shall be substituted for each reference made in said sections to "this chapter"; (d) the name of "Kittitas County" shall be substituted for each reference made in said sections to "Thurston county"; and (e) the term "board of county commissioners" shall be substituted for each reference made in said sections to the "director of financial management."