

CITY OF STANWOOD
Stanwood, Washington

ORDINANCE NO. 1287

**AN ORDINANCE OF THE CITY OF STANWOOD, WASHINGTON,
AMENDING CHAPTER 5.10.040 OF THE STANWOOD
MUNICIPAL CODE LEVYING 10.7% UTILITY TAXES ON
WATER.**

WHEREAS, the City of Stanwood currently levies utility taxes against persons on account of business activities to include water,

WHEREAS, the water utility rate is currently levied by the City of Stanwood at six percent,

WHEREAS, based on Washington Supreme Court decisional law in the case of Lane v. Seattle, municipal water utilities can no longer include the cost of fire protection in their water rates,

WHEREAS, the City of Stanwood is interested in recovering the cost of fire protection through an increase to the water utility tax,

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

Section 1. SMC Chapter 5.01.040 Business and utilities subject to utility tax – amount
is hereby amended to read as follows:

5.01.040 Businesses and utilities subject to utility
tax – Amount.

There are levied and shall be collected utility taxes against persons on account of business activities in amounts to be determined by the nature of the business activities and by the application of rates against gross income as follows:

(1) Utilities.

(a) Electric. Upon every person engaged in or carrying on the business of selling or furnishing electric light and power within the city of Stanwood, a tax equal to six percent of the total gross revenue from such business during the tax-reporting period;

(b) Gas. Upon every person engaged in or carrying on a business of selling or furnishing gas within the city of Stanwood, a tax equal to six percent of the total gross revenue from such business in the city during the tax-reporting period;

(c) Telephone. Upon every person engaged in or carrying on a telephone business within the city of Stanwood, a tax equal to six percent of the total gross revenue from such business during the tax-reporting period;

(d) Water. Upon every person engaged in or carrying on the business of selling or furnishing water within the city of Stanwood, a tax equal to ~~six~~ ten and seventh-tenths percent of the total gross revenue from such business during the tax-reporting period;

(e) Sanitary Sewer. Upon every person engaged in or carrying on the business of furnishing sanitary sewer services within the city of Stanwood, a tax equal to six percent of the gross revenue from such business during the tax-reporting period;

(f) Drainage. Upon every person engaged in or carrying on the business of providing drainage services within the city of Stanwood, a tax equal to six percent of the gross revenue from such business during the tax-reporting period;

(g) Garbage. Upon every person engaged in or carrying on the business of collection of garbage or solid waste within the city of Stanwood, a tax of six percent of the gross revenue from such business during the tax reporting period;

(h) Cable Television. Upon every person engaged in or carrying on a cable television business within the city of Stanwood, a tax equal to three percent of the gross revenue from such business in the city during the tax-reporting period.

Section 2. Severability. If any section, subsection, sentence, clause, phrase or word 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 or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

Section 3. Effective Date. This ordinance will become effective January 1, 2011.

PASSED by the City Council and APPROVED by the Mayor this 9th day of December, 2010.

CITY OF STANWOOD

By 
DIANNE WHITE, Mayor

ATTEST:

By Melissa Collins
MELISSA COLLINS, City Clerk

Approved as to form:

By Grant K. Weed
GRANT K. WEED, City Attorney

Date of Publication: _____