

ORDINANCE 1511

AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, ADOPTING AMENDMENTS TO NORTH BEND MUNICIPAL CODE 5.04.050 AND 5.04.060 TO CORRECT SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, on December 4, 2012, the City Council adopted Ordinance 1477, which adopted a new NBMC 5.04 relating to business license and business and occupation tax; and

WHEREAS, the new NBMC 5.04 codified pursuant to Ordinance 1477 contained a number of scrivener's errors in Section 5.04.050 inconsistent with the intent of the City Council; and

WHEREAS, the City Council desires to clarify its intent in passing Ordinance 1477 and to correct the above-reference scrivener's errors now codified in NBMC 5.04.050;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DO HEREBY ORDAIN AS FOLLOWS:

Section 1. NBMC Section 5.04.050 Amended. North Bend Municipal Code 5.04.050, Imposition of the tax-Tax or fee levied, is hereby amended to read as follows:

5.04.050 Imposition of the tax—Tax or fee levied

A. Except as provided in subsection B of this section, there is hereby levied upon and shall be collected from every person a tax for the act or privilege of engaging in business activities within the city, whether the person's office or place of business be within or without the city. The tax shall be in amounts to be determined by application of rates against gross proceeds of sale, gross income of business, or value of products, including byproducts, as the case may be, as follows:

1. Upon every person engaging within the city in business as an extractor, the amount of the tax with respect to such business shall be equal to the value of the products, including byproducts, extracted within the city for sale or for commercial or industrial use, multiplied by the rate of two-tenths of one percent. The measure of the tax is the value of the products, including byproducts, so

extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the city.

2. Upon every person engaging within the city in business as a manufacturer, as to such persons the amount of the tax with respect to such business shall be equal to the value of the products, including byproducts, manufactured within the city, multiplied by the rate of two-tenths of one percent. The measure of the tax is the value of the products, including byproducts, so manufactured, regardless of the place of sale or the fact that deliveries may be made to points outside the city.

3. Upon every person engaging within the city in the business of making sales at wholesale, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business without regard to the place of delivery of articles, commodities or merchandise sold, multiplied by the rate of two-tenths of one percent.

4. Upon every person engaging within the city in the business of (a) printing, (b) both printing and publishing newspapers, magazines, periodicals, books, music, and other printed items, (c) publishing newspapers, magazines and periodicals, (d) extracting for hire, and (e) processing for hire, as to such persons, the amount of tax on such business shall be equal to the gross income of the business multiplied by the rate of two-tenths of one percent.

5. Upon every person engaging within the city in the business of making sales at retail, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business, without regard to the place of delivery of articles, commodities or merchandise sold, multiplied by the rate of two-tenths of one percent.

6. Upon every person engaging within the city in the business of sales of retail services, the amount of tax with respect to such business shall be equal to the gross proceeds of sales multiplied by the rate of two-tenths of one percent.

7. Upon every other person engaging within the city in any business activity other than or in addition to those enumerated in the above subsections, the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of two-tenths of one percent. This subsection includes, among others, and without limiting the scope hereof (whether or not title to material used in the performance of such business passes to another by

accession, merger or other than by outright sale), persons engaged in the business of developing or producing custom software or of customizing canned software, producing royalties or commissions, and persons engaged in the business of rendering any type of service which does not constitute a sale at retail, a sale at wholesale, or a retail service.

B. The gross receipts tax imposed in this section shall not apply to any person whose gross proceeds of sales, gross income of the business, and value of products, including byproducts, from all activities conducted within the city during any calendar year are equal to or less than \$20,000, or are equal to or less than \$5,000 during any quarter if on a quarterly reporting basis.

Section 2. NBMC Section 5.04.060 Reinstated. The repeal of North Bend Municipal Code 5.04.060, Doing business with the city, is hereby repealed and Section 5.04.060 is hereby reinstated to read as follows:

Doing business with the city.

Except where such a tax is otherwise levied and collected by the city from such person, there is hereby levied a tax on the privilege of accepting or executing a contract with the city. Such tax shall be levied and collected whether goods or services are delivered within or without the city and whether or not such person has an office or place of business within or without the city.

Except as provided in NBMC 5.04.077, as to such persons the amount of tax shall be equal to the gross contract price multiplied by the rate under NBMC 5.04.050 that would otherwise apply if the sale or service were taxable pursuant to that section.

Section 3. Severability: Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 4. Effective Date: This ordinance shall be published in the official newspaper

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of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 3RD DAY OF DECEMBER, 2013.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

Published: December 11, 2013
Effective: December 16, 2013

ATTEST/AUTHENTICATED:

Susie Oppedal, City Clerk