

# CITY OF MARYSVILLE AGENDA BILL

## EXECUTIVE SUMMARY FOR ACTION

**CITY COUNCIL MEETING DATE: 3/26/2018**

<b>AGENDA ITEM:</b>	
Ordinance Maintaining the Surface Water Gross Receipts Tax Rate at Eight and One Half Percent of Gross Receipts for Five Years and Retaining the Language of Section 3.69.010 of the Marysville Municipal Code	
<b>PREPARED BY:</b>	<b>DIRECTOR APPROVAL:</b>
Sandy Langdon, Finance Director	
<b>DEPARTMENT:</b>	
Finance	
<b>ATTACHMENTS:</b>	
Draft Ordinance	
<b>BUDGET CODE:</b>	<b>AMOUNT:</b>
<b>SUMMARY:</b>	

City's imposes a 8.5% utility tax on the City's surface water utility for use of city right of way. This tax is imposed only on the City's surface water utility fund. The current rate of 8.5% was raised from 6% in 2012 for a six year period, ending January 30, 2018.

There here is no statutory limit on the rate that may be imposed. Recent AWC survey of other entities have indicated an average rate of 10.1%.

The amending ordinance requests extending the additional 2.5%. for a period of five years.

The proposed increase will not affect the current surface water rate charged to users.

**RECOMMENDED ACTION:**

Staff recommends council approved the ordinance to maintain the Surface Water Gross Receipts Tax Rate at Eight and One Half Percent of Gross Receipts for Five Years and Retaining the Language of Section 3.69.010 of the Marysville Municipal Code

CITY OF MARYSVILLE  
Marysville, Washington

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF MARYSVILLE ~~AMENDING MAINTAINING SECTION 3.69.010 OF THE MARYSVILLE MUNICIPAL CODE TO INCREASE THE CITY SURFACE WATER GROSS RECEIPTS TAX RATE FROM SIX AND ONE HALF PERCENT TO AT~~ EIGHT AND ONE HALF PERCENT OF GROSS RECEIPTS FOR FIVE YEARS AND RETAINING THE LANGUAGE OF SECTION 3.69.010 OF THE MARYSVILLE MUNICIPAL CODE.**

WHEREAS, Ordinance No. 2884 requires the City Council to review the ordinance every two years; and

WHEREAS, the City Council has reviewed Ordinance No. 2884 and section 3.65.010 of the municipal code; and

WHEREAS, it is in the public welfare to continue the rate of the gross receipts tax at eight and one-half percent (8 ½%); and

WHEREAS, section 3.69.010 of the municipal code should remain unchanged for the next five years.

THE CITY COUNCIL OF THE CITY OF MARYSVILLE, WASHINGTON, DO ORDAIN AS FOLLOWS:

SECTION 1. ~~MMC Section~~ 3.69.010 of the Marysville Municipal Code ~~is hereby amended to read as follows:~~

~~Tax imposed. There is levied and there shall be collected from the water and sewer department of the city a tax in the amount of eight and one half (8 ½%) percent of the gross receipts of the customer accounts in such department; provided, the tax is not collected from receipts received by the department from any public water or sewer district or city or from the receipts from wholesale sales of water to other public purveyors shall remain unchanged.~~

SECTION 2. ~~This ordinance shall be reviewed by the City Council every two years from the effective date hereof. The rate of eight and one-half percent set by t~~This ordinance shall automatically terminate without further action of the City Council ~~six five (56) years~~ from the effective date hereof and the gross receipts tax rate shall reset to six ~~percent~~ (6 %).

PASSED by the City Council and APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 20182.

CITY OF MARYSVILLE

By \_\_\_\_\_  
JON NEHRING, MAYOR

Attest:

By \_\_\_\_\_  
~~APRIL O'BRIENTINA BROCK~~, DEPUTY CITY CLERK

Approved as to form:

By \_\_\_\_\_  
~~GRANT K. WEED~~ JON WALKER, CITY ATTORNEY

Date of publication: \_\_\_\_\_  
Effective Date (5 days after publication): \_\_\_\_\_

**CITY OF MARYSVILLE**  
Marysville, Washington

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF MARYSVILLE MAINTAINING THE CITY SURFACE WATER GROSS RECEIPTS TAX RATE AT EIGHT AND ONE HALF PERCENT OF GROSS RECEIPTS FOR FIVE YEARS AND RETAINING THE LANGUAGE OF SECTION 3.69.010 OF THE MARYSVILLE MUNICIPAL CODE.**

WHEREAS, Ordinance No. 2884 requires the City Council to review the ordinance every two years; and

WHEREAS, the City Council has reviewed Ordinance No. 2884 and section 3.65.010 of the municipal code; and

WHEREAS, it is in the public welfare to continue the rate of the gross receipts tax at eight and one-half percent (8 ½%); and

WHEREAS, section 3.69.010 of the municipal code should remain unchanged for the next five years.

THE CITY COUNCIL OF THE CITY OF MARYSVILLE, WASHINGTON, DO ORDAIN AS FOLLOWS:

SECTION 1. Section 3.69.010 of the Marysville Municipal Code shall remain unchanged.

SECTION 2. The rate of eight and one-half percent set by this ordinance shall automatically terminate without further action of the City Council five (5) years from the effective date hereof and the gross receipts tax rate shall reset to six (6 %).

PASSED by the City Council and APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF MARYSVILLE

By \_\_\_\_\_  
JON NEHRING, MAYOR

Attest:

By \_\_\_\_\_  
TINA BROCK, DEPUTY CITY CLERK

Approved as to form:

By \_\_\_\_\_  
JON WALKER, CITY ATTORNEY

Date of publication: \_\_\_\_\_

Effective Date (5days after publication): \_\_\_\_\_