

Ordinance No. 00020

[\(Council Minutes 95/11/27\)](#)

ORDINANCE NO. 20

AN ORDINANCE of the City of Lakewood, Washington, providing for taxation of certain gambling activities

WHEREAS, state law authorizes cities to levy a tax on certain gambling activities, with the revenue generated thereby being used primarily to fund law enforcement efforts related to gambling activities and to establishments in which such activities occur; and,

WHEREAS, in order to assist the City in providing such law enforcement efforts without imposing the law enforcement costs on the general tax payers of the City, it would be appropriate for the City of Lakewood to have such taxes on gambling activities.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON, DO ORDAIN as follows:

Section 1. Imposition of tax on gambling activities.

There is hereby imposed a tax, at the rates set forth below, upon the following gambling activities, when authorized by Chapter 9.46 RCW, and when conducted in the City:

- A. Five percent (5%) of the gross receipts from punch boards and pull-tabs, as those terms are defined by RCW 9.46.0273 and Rules and Regulations of the Gambling Commission.
- B. Ten percent (10%) of the gross revenue, less the amount paid for or as prizes, received from bingo and raffles, as those terms are defined by RCW 9.46.0205 and RCW 9.46.0277.
- C. Two percent (2%) of the gross revenue, less the amount paid for or as prizes, from amusement games, as that term is defined by RCW 9.46.0201.
- D. Twenty percent (20%) of the gross revenue from social card games, as that term is defined by RCW 9.46.0281 and Rules and Regulations of the Gambling Commission.

Section 2. Definitions.

For the purposes of this Ordinance, the terms used herein shall have the same meanings as defined in Chapter 9.46 RCW, as the same now exists or may hereafter be amended.

Section 3. Exemptions.

Bona fide charitable or nonprofit organizations, as defined by RCW 9.46.0209, conducting bingo, raffles or amusement games within the City shall be exempt from payment of the taxes imposed by Section 1 of this Ordinance on those activities, provided that such bona fide charitable or nonprofit organization shall employ no paid operating or management personnel and shall have gross income from bingo, raffles or amusement games, or any combination thereof, not exceeding five thousand dollars (\$5,000.00) per year, less the amount paid for or as prizes.

Section 4. Declaration of intent to conduct charitable, nonprofit gambling activity.

For the purpose of identifying the persons, associations and organizations that shall be subject to the tax imposed by Section 1 of this Ordinance, any bona fide charitable or nonprofit corporation intending to conduct or operate any bingo game, raffle or amusement game which requires licensing as provided in and authorized by RCW Chapter 9.46, as the same now exists or may be hereafter amended, shall, prior to commencement of any such activity, file with the City Clerk a sworn declaration of intent to conduct or operate such activity, together with a copy of the license issued in accordance with RCW Chapter 9.46, as the same now exists or may be hereafter amended, as amended. Thereafter, for any period covered by such State license or any renewal thereof, any such licensed bona fide charitable or nonprofit corporation shall, on or before the fifteenth day of the month following the end of the month in which the tax accrued, file with the City Clerk a sworn statement, on a form to be provided and prescribed by the City Clerk, for the purpose of ascertaining the tax due for the preceding monthly period.

Section 5. Payment of tax on gambling activities.

Every holder of a license issued by the Washington State Gambling Commission who shall conduct any taxable gambling activities within the City shall provide to the City a copy of each activity report required by the Gambling Commission pursuant to Chapter 230-08, WAC, no later than the date of filing required therein, and shall make payment, in full, of all taxes owing to the City at the same time.

Section 6. Tax due date--Delinquency.

Tax imposed by Section 1 of this Ordinance shall be due and payable in monthly installments, and remittance therefor shall accompany such return and be made on or before the fifteenth day of the month following the month in which the tax accrued.

For each payment due, if such payment is not made by the due date thereof, there shall be added a penalty and interest as follows:

- A. If paid 1 to 10 days late, there shall be a penalty of 10% added to the amount of tax due;
- B. If paid 11 to 20 days late, there shall be a penalty of 15% added to the amount of tax due;
- C. If paid 21 to 30 days late, there shall be a penalty of 20% added to the amount of tax due;
- D. If paid 31 to 60 days late, there shall be a penalty of 25% added to the amount of tax due.

In addition to the above penalty, the City will charge the taxpayer interest of all taxes due at the rate of one percent (1%) per month or portion thereof that said amounts are past due.

Delinquent taxes, penalties and interest shall constitute a public debt owing to the City which may be collected by action at law and writ of attachment pursuant to RCW 9.46.350, as presently enacted together with amendments thereof or additions thereto, or which may be referred to a collection agency pursuant to RCW 19.16.500, as presently enacted together with amendments thereof or additions thereto.

Section 7. Financial records.

It shall be the responsibility of all officers, directors and managers of any corporation conducting any gambling activities subject to taxation under this Ordinance to make available at all reasonable times such financial records as the City Clerk may require to determine full compliance with this Ordinance.

Section 8. Additional rules.

The City Manager, or designee, shall have authority to adopt rules and regulations not inconsistent with the provisions of this chapter, for carrying out and enforcing payment, collection and remittance of the taxes herein levied. Such rules and regulations may include the form of tax return required to be filed with the City at the time of payment of the tax on gambling activities, and procedures for auditing of the taxpayer's records. A copy of the rules and regulations so adopted shall be on file and available for public examination in the Clerk's office.

Section 9. Unlawful acts.

It is unlawful for any person liable for the tax imposed by this Ordinance to fail to pay the tax when due or for any person to

make any false or fraudulent return or any false statement in connection with the return.

Section 10. Penalty.

Any person violating any provision of this Ordinance shall be guilty of a misdemeanor and upon conviction thereof punished pursuant to state law or city ordinance.

Section 11. Severability.

If any section, sentence, clause or phrase 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, sentence, clause or phrase of this Ordinance.

Section 12. Effective date.

This Ordinance shall be in full force and effect five (5) days after publication of the Ordinance Summary and on February 28, 1996, the official date of incorporation.

ADOPTED by the City Council this 27th day of November, 1995

/S/ Bill Harrison

Mayor

Attest:

/S/ Alice M. Bush

City Clerk

Approved as to Form:

/S/ Daniel B. Heid

City Attorney

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