

Ordinance No. 00227

[Council Meeting Minutes of 00/02/07](#)

ORDINANCE NO. 227

AN ORDINANCE of the City of Lakewood, Washington, amending Section 3.34.010 of the Lakewood Municipal Code relating to the rate for the tax imposed on social card games

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, the City Council adopted its Ordinance No. 20, establishing a tax on certain activities at identified rates; and,

WHEREAS, since the adoption and implementation of the City's gambling tax, the City has been approached by individuals who have suggested that the gambling tax rate for card games is higher than that of other jurisdictions and prevents the development of businesses subject to the tax; and,

WHEREAS, it has further been suggested that a lowering of the tax rate could actually result in an increase in tax receipts to the City because of the increased opportunities for business promotion that would result in greater levels of business on which the tax is levied, and that the City should try, on a trial period basis, a temporary lowering of the tax rate on card games to determine how a reduction would affect business levels and tax receipts; and,

WHEREAS, it would be appropriate for the City of Lakewood to lower the tax on card games to a sliding scale, depending on the amount of gross revenues, from 20% to 11%.

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

Section 1. That Section 3.34.010 of the Lakewood Municipal Code is amended to read as follows:

3.34.010 - 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 pull tabs, as that term is defined by RCW 9.46.0273 and Rules and Regulations of the Gambling Commission.
- B. Three percent (3%) of the gross receipts from punch boards, as that term is defined by RCW 9.46.0273 and Rules and Regulations of the Gambling Commission.

C. Five percent (5%) 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.

D. 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.

E. ~~Twenty~~ An amount or percent (20%) of the gross monthly revenue from social card games, as that term is defined by RCW 9.46.0281 and Rules and Regulations of the Gambling, depending on the amount of gross monthly revenue totals, as follows:

For gross revenue totals up to \$500,000 per calendar month, Twenty percent (20%) of the gross monthly revenue;

For gross revenue totals of between \$500,001 and \$600,000 per calendar month, Seventeen percent (17%) of the gross monthly revenue, or a tax of \$100,000, whichever is greater;

For gross revenue totals of between \$600,001 and \$700,000 per calendar month, Fifteen percent (15%) of the gross monthly revenue, or a tax of \$102,000, whichever is greater;

For gross revenue totals of between \$700,001 and \$800,000 per calendar month, Fourteen percent (14%) of the gross monthly revenue, or a tax of \$105,000, whichever is greater;

For gross revenue totals of between \$800,001 and \$900,000 per calendar month, Thirteen percent (13%) of the gross monthly revenue, or a tax of \$112,000, whichever is greater;

For gross revenue totals of between \$900,001 and \$1,000,000 per calendar month,, Twelve percent (12%) of the gross monthly revenue, or a tax of \$117,000, whichever is greater;

For gross revenue totals above \$1,000,000 per calendar month, Eleven percent (11%) of the gross monthly revenue, or a tax of \$120,000, whichever is greater. (Ord. 223 Â§ 1999; Ord. 88 Â§ 1, 1996; Ord. 20 Â§ 1, 1995.)

(Ord. 223 Â§ 1999; Ord. 88 Â§ 1, 1996; Ord. 20 Â§ 1, 1995.)

Section 2. 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 3. Effective date. This Ordinance shall be in full force and effect five (5) days after publication of the Ordinance Summary, as provided by law, and on April 1, 2000.

ADOPTED by the City Council this 7th day of February, 2000.

CITY OF LAKEWOOD

Bill Harrison, Mayor

Attest:

Alice M. Bush, CMC/AE, City Clerk

Approved as to Form:

Daniel B. Heid, City Attorney

.....