

ORDINANCE NO. 1679

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON, relating to the City's imposition of gambling taxes, and amending DMMC 5.40.010 and section 1 of Ordinance No. 1670 (uncodified) to provide a graduated tax structure for public cardrooms as a commercial stimulant.

WHEREAS, the state legislature authorizes cities to impose gambling taxes upon public cardrooms up to twenty percent (20%) of gross revenues conducted in accordance with chapter 9.46 RCW, and

WHEREAS, Ordinance No. 1305 was adopted by the City Council on September 27, 2002, amending Ordinance No. 361 and establishing a new tax rate of ten percent (10%) of gross receipts, less the amount awarded as cash or merchandise, for public cardrooms operated as a commercial stimulant, and

WHEREAS, Ordinance No. 1549-A was adopted by the City Council on October 4, 2012, amending Ordinance No. 361, Ordinance 1305, and Ordinance 1549 by establishing a new tax rate of nine percent (9%) and establishing a graduated tax schedule for those public cardrooms that receive a business license prior to December 31, 2016 as commercial stimulant, and

WHEREAS, Ordinance No. 1670 was adopted by the City Council on January 5, 2017 extending the graduated tax structure for public cardrooms to June 30, 2017 and adjusting the tax structure accordingly, and

WHEREAS, encouraging business continues to be of economic benefit to the City and provides increased tax revenues to support municipal services, and

WHEREAS, the City Council finds that it is in the best interest of the City to amend section 1 of Ordinance No. 1670 to extend that date for public cardrooms to be eligible for the graduated tax schedule, and to modify the tax rates applicable to public cardrooms, now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. DMMC 5.40.010 and section 1 of Ordinance No. 361, as amended by section 4 of Ordinance No. 1305, as amended by section 1 of Ordinance No. 1549, as amended by section 1 of

Ordinance No. 1549-A, as amended by section 1 of Ordinance No. 1670 (uncodified) are amended to read as follows:

Taxes imposed. In accordance with chapter 9.46 RCW as presently constituted or as may be subsequently amended, there is levied upon all persons who have been duly licensed by the Washington State Gambling Commission to conduct or operate:

(1) Public cardrooms operated as a commercial stimulant, a tax of nine percent (9%) of the gross receipts shall be imposed; except those cardrooms that receive an initial business license prior to August 31, 2017, a tax of one percent (1%) of the gross receipts in the year 2017 shall be imposed, four percent (4%) of the gross receipts in the year 2018 shall be imposed; a tax of seven percent (7%) of the gross receipts in the year 2019 shall be imposed; and a tax of nine percent (9%) of the gross receipts shall be imposed thereafter. Transfers of ownership or change of business name or location will not affect the date of initial business license issuance used to calculate the tax percentage.

(2) Punchboards and pulltabs, a tax of five percent (5%) of the gross receipts.

Sec. 2. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

(2) If the provisions of this Ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this Ordinance is deemed to control.

Sec. 3. Effective date. This Ordinance shall take effect and be in full force five (5) days after its passage, approval, and publication in accordance with law.

PASSED BY the City Council of the City of Des Moines this 13th day of April, 2017 and signed in authentication thereof this 13th day of April, 2017.


MAYOR

APPROVED AS TO FORM:


City Attorney

ATTEST:


City Clerk

Published: April 18, 2017

LEGAL NOTICE
SUMMARY OF ADOPTED ORDINANCE
CITY OF DES MOINES

ORDINANCE NO. 1679, Adopted April 13, 2017.

DESCRIPTION OF MAIN POINTS OF THE ORDINANCE:

This Ordinance relates to the City's imposition of gambling taxes, and amends DMMC 5.40.010 and section 1 of Ordinance No. 1670 (uncodified) to provide a graduated tax structure for public cardrooms as a commercial stimulant.

The full text of the Ordinance will be mailed without cost upon request.

Bonnie Wilkins, CMC
City Clerk

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