



Legislation Text

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Clerk 11/01/2016

AN ORDINANCE relating to revenues from the sales and use tax on retail car rentals, amending the name and uses of the fund receiving such revenues; and amending Ordinance 12076, Section 26, as amended, and K.C.C. 4A.200.810, and Ordinance 10454, Sections 1 through 2, as amended, and K.C.C. 4A.500.200.

STATEMENT OF FACTS:

1. King County imposes a one-percent retail rental car sales and use tax allowed by RCW 82.14.049. The statute allows proceeds of the tax to be used solely for the following purposes:
 - (a) acquiring, constructing, maintaining, or operating public sports stadium facilities;
 - (b) engineering, planning, financial, legal, or professional services incidental to public sports stadium facilities;
 - (c) youth or amateur sport activities or facilities; or
 - (d) debt or refinancing debt issued for the purposes of RCW 82.14.049(1).
2. Under subsection RCW 82.14.049(2), at least seventy-five percent of the tax proceeds must be used to service the debt on the stadium until the debt is fully retired.
3. In 2016, King County fully retired its debt on the Kingdome Stadium.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12076, Section 26, as amended, and K.C.C. 4A.200.810 are each hereby amended to read as follows:

- A. There is hereby created the youth and amateur sports (~~((facilities grant))~~) fund.
- B. The fund shall be a first tier fund. It is a special revenue fund.

C. The director of the department of natural resources and parks shall be the manager of the fund.

D. The fund shall be used ~~((to develop, renovate or repair sports facilities primarily serving persons under twenty-one years of age in low and moderate income communities within county via an annual request for proposal process integrated as much as possible with the community development block grant program))~~ for youth or amateur sports activities or facilities. Administrative costs shall be minimized and leveraging of moneys from other sources encouraged.

E. For the purposes of this section, "sports facility" means any structure or field that is intended to be used primarily for athletic purposes.

SECTION 2. Ordinance 10454, Sections 1 through 2, as amended, and K.C.C. 4A.500.200 are each hereby amended to read as follows:

A. There is hereby levied a sales or use tax, as the case may be, in addition to the tax authorized by RCW 82.14.030, upon retail car rentals within the county that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of the tax shall be one percent of the selling price in the case of a sales tax or rental value of the vehicle in the case of a use tax. "Rental car" means a passenger car, as defined in RCW 46.04.382, that is used solely by a rental car business for rental to others, without a driver provided by the rental car business, for periods of not more than thirty consecutive days. "Rental car" does not include vehicles rented or loaned to customers by automotive repair business while the customer's vehicle is under repair and vehicles licensed and operated as taxicabs.

B. ~~((Twenty five percent of the car rental sales and use tax collections shall be deposited in the youth sports facilities grant fund.))~~ Moneys in the youth and amateur sports ~~((facilities grant))~~ fund shall only be expended for youth or amateur sports activities or facilities and debt service payments for debt or refinancing debt issued for those purposes. ~~((The remaining seventy five percent of the rental sales and use tax collections shall be deposited in the stadium operating fund and shall only be expended for the financing of stadium capital facilities.))~~ Proceeds of this tax shall be deposited in the youth and amateur sports fund and shall not be used to

subsidize any professional sports team. (~~The proceeds of this tax shall also not be used to supplant existing stadium capital improvement or youth sports facilities funding sources.~~)

SECTION 3. This ordinance takes effect January 1, 2017.