

PRESS RELEASE



County Council

February 24, 2009

**Mike Cooper
Dave Gossett
John Koster
Dave Somers
Brian Sullivan**

Council Considers Admissions Charge to Support Local Venues

Snohomish County Councilmembers Brian Sullivan and Dave Somers are proposing an admissions charge that would be paid by visitors to county venues. The charge would be paid primarily by tourists visiting the county and would provide a stable funding source for desperately needed infrastructure improvements and economic development at the Evergreen State Fairgrounds while providing funding for displays, operations and educational programs at the Future of Flight.

M/S #609
3000 Rockefeller Avenue
Everett, WA 98201-4046
425-388-3494
FAX 425-388-3496
TTY/TDD 425-388-3700

State law permits counties to impose an admissions charge of not more than five-percent of the ticket price. The proposal would apply to admissions paid to access ticketed events and activities at the county fairgrounds, parks and airport property. There is currently no admissions charge in Snohomish County and it would not apply to local school groups visiting these venues.

The funds generated would allow the county to enhance the visibility and economic viability of the fairgrounds and support operations at the Future of Flight. The additional revenue is estimated to total approximately \$400,000 annually that could potentially be bonded to generate several million dollars to kick start improvements. "In these tough economic times, we need to get creative to find solutions to needs that aren't going away and will only get more expensive with time. This charge would allow us to make some much needed improvements to the fairgrounds and hopefully produce even more revenue and jobs." said Councilman Dave Somers.

The proposed ordinance is viewed as a great tool to help promote tourism and economic development in the county. "Increasing the attraction element of these two venues will help drive up participation, a step that must be taken, especially in light of the approaching 2010 Olympic games," said Councilmember Brian Sullivan.

The council will consider this ordinance in the next few weeks. Please visit www.snoco.org for a complete listing of council agendas and schedules.

CONTACT: Eric Parks
Legislative Aide to Councilmember Dave Somers
Phone: 425.388.3494
Email: eric.parks@snoco.org

EXECUTIVE/COUNCIL APPROVAL FORM

MANAGEMENT ROUTING:
 EXECUTIVE _____
 DEPUTY/EXEC. DIR. _____
 DIRECTOR/ELECTED Dave Somers,
Brian Sullivan *[Signature]*

 DIV. MGR. _____
 DIVISION _____
 ORIGINATOR Sharie Freemantle
 DATE 02/24/2009 EXT. 3559

TO: COUNCIL CHAIRPERSON:
SNOHOMISH COUNTY COUNCIL

EXECUTIVE RECOMMENDATION:
 _____ Approve _____ No Recommendation
 _____ Further Processing
 _____ Requested By _____

Executive Office Signature _____ / /
 CEO Staff Review _____
 Received at Council Office DLP _____ 02/26/09

DOCUMENT TYPE:

_____ BUDGET ACTION:
 _____ Emergency Appropriation
 _____ Supplemental Appropriation
 _____ Budget Transfer

_____ CONTRACT:
 _____ New
 _____ Amendment

_____ GRANT APPLICATION
X ORDINANCE
 _____ Amendment to Ord. # _____

_____ PLAN/REPORT
 _____ MOTION
 _____ OTHER ACTION (describe below) _____

DOCUMENT / AGENDA TITLE:
 Ordinance establishing an Admissions charge on certain activities in the county, per RCW 36.38.010

APPROVAL AUTHORITY:
 EXECUTIVE _____ COUNCIL X
 CITE BASIS _____

HANDLING: NORMAL X EXPEDITE _____ URGENT _____ DEADLINE DATE _____

PURPOSE:
 Authorize admissions charge on activities on Paine Field property and county Parks & Fairgrounds properties, as enabled by RCW 36.38.010. Charge to be effective July 2009. Ordinance also authorizes specific uses for revenues generated by this charge.

- BACKGROUND:**
- RCW 36.38.010 authorizes counties to impose admissions charge up to 5%, but excepting elementary and secondary schools and PFDs if a tax is already imposed by the PFD.
 - County economic development/tourism oriented projects include Future of Flight and the Fairgrounds, which would benefit from an additional and reliable source of funding. School group functions are exempted from this charge.
 - County Council supports the Future of Flight; Council also desires to focus attention and efforts on bringing the Fairgrounds up to a more visible and viable economic development and tourism enhancing project.
 - This charge would primarily affect tourists visiting the county and would help fund displays, operations and educational programs at Future of Flight as well as infrastructure and economic development at the Fairgrounds.
 - The vast majority of any admissions tax revenue would be generated by all activities at Paine Field, and by activities of the parks and fairgrounds programs. Therefore this ordinance provides that all admissions tax revenue tax generated by parks and fairgrounds activities be dedicated to Fairgrounds improvements and tourism development. All admissions tax revenue tax generated by activities at Paine Field, including but not limited to Future of Flight, will be dedicated to Future of Flight by an Interlocal agreement contract to be approved by council.

FISCAL IMPLICATIONS:

EXPEND: FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
n/a			

REVENUE: FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
Future of Flight and all Paine Field activities	Est \$55k		
Parks & Fairgrounds activities	Est \$125k		
TOTAL			

DEPARTMENT FISCAL IMPACT NOTES:

It is possible that Parks will need new or upgraded cashiering equipment to accommodate the RCW requirement that the 5% be shown on a receipt. Any such expense will be recouped from the admissions charge revenue.

BUDGET REVIEW: Analyst _____ Administrator _____ Recommend Approval _____

CONTRACT INFORMATION:

ORIGINAL _____ CONTRACT # _____ AMOUNT \$ _____
 AMENDMENT _____ CONTRACT # _____ AMOUNT \$ _____

CONTRACT PERIOD:

ORIGINAL Start _____ End _____
 AMENDMENT Start _____ End _____

CONTRACT / PROJECT TITLE:

CONTRACTOR NAME & ADDRESS (City/State only):

APPROVED:

RISK MANAGEMENT Yes _____ No _____

COMMENTS _____

PROSECUTING ATTY - AS TO FORM: Yes _____ No _____

OTHER DEPARTMENTAL REVIEW / COMMENTS:

ELECTRONIC ATTACHMENTS :

G:\ECAF\Council\20043269_Ordinance.doc

NON-ELECTRONIC ATTACHMENTS:

1 SNOHOMISH COUNTY COUNCIL
2 Snohomish County, Washington

3
4 ORDINANCE NO. 09-____
5

6 IMPOSING A COUNTY ADMISSIONS TAX, PROVIDING FOR TAX COLLECTION
7 AND ADMINISTRATION, ADOPTING A NEW CHAPTER 4.23 SCC, PRESCRIBING
8 PENALTIES, AND CONTAINING AN EFFECTIVE DATE
9

10 WHEREAS, RCW 36.38.010 authorizes counties to impose an admissions tax of
11 not more than five percent to be paid by persons who pay an admission charge, with the
12 exception of elementary or secondary schools and public facilities of a public facility
13 district for which a tax is imposed under RCW 35.37.100 or 36.100.210; and
14

15 WHEREAS, RCW 36.38.020 provides for a number of optional provisions relating
16 to imposition of a county admissions tax, including provisions relating to administration
17 of the tax and establishment of reasonable exemptions; and
18

19 WHEREAS, in order to facilitate administration, enhance predictability, and avoid
20 unnecessary or unintended hardship it is reasonable to limit application of a county
21 admissions tax to public places located within county fairgrounds, park, and airport
22 properties; and
23

24 WHEREAS, although it is useful to segregate revenues for designated potential
25 county uses, the County Council should retain the flexibility to appropriate admissions
26 tax revenues for expenditure on any proper county purpose; and
27

28 WHEREAS, the County Council finds that it is in the best interests of the County
29 to impose an admissions tax as provided herein;
30

31 NOW, THEREFORE, BE IT ORDAINED by the County Council of Snohomish
32 County, Washington:
33

34 Section 1. A new chapter is added to Title 4 of the Snohomish County Code to
35 read:
36

37 Chapter 4.23

38
39 COUNTY ADMISSIONS TAX
40

41 Sections:

- 42 4.23.010 Imposition of admissions tax.
43 4.23.020 Rate of tax imposed.
44 4.23.030 Definitions.

ORDINANCE NO. 09-____
IMPOSING A COUNTY ADMISSIONS TAX, PROVIDING
FOR TAX COLLECTION AND ADMINISTRATION,
ADOPTING A NEW CHAPTER 4.23 SCC, ETC. - 1

- 1 4.23.040 Application of tax
- 2 4.23.050 Exemptions.
- 3 4.23.060 Price to appear on ticket.
- 4 4.23.070 Counting number of admissions.
- 5 4.23.080 Collection and administration.
- 6 4.23.090 Deposit of tax revenues.
- 7 4.23.100 Penalty for delinquent tax returns.
- 8 4.23.110 Administrative appeal.
- 9 4.23.120 Violations.

10
11 **4.23.010 Imposition of admissions tax.**

12 Pursuant to RCW 36.38.010, there is hereby imposed an admissions tax
13 upon every person, without regard to age, who pays an admission charge as
14 defined in SCC 4.23.030 for admission to any place described in SCC 4.23.040.
15

16 **4.23.020 Rate of tax imposed.**

17 The rate of the admissions tax imposed by SCC 4.23.010 shall be five
18 percent of the admission charge.
19

20 **4.23.030 Definitions.**

21 In this chapter, unless the context clearly requires otherwise,

22 (1) "Admission charge," in addition to its usual and ordinary meaning,
23 means a monetary charge for admission to any place that is open to the public,
24 including but not limited to:

- 25 (a) A charge made for season tickets or subscriptions;
- 26 (b) A cover charge or a charge made for use of seats and tables,
27 reserved or otherwise, and other similar accommodations;
- 28 (c) A charge made for food and refreshments in any place where any free
29 entertainment, recreation, or amusement is provided;
- 30 (d) A charge made for rental or use of equipment or facilities for purposes
31 of recreation or amusement, and where the rental of the equipment or facilities is
32 necessary to the enjoyment of a privilege for which a general admission is
33 charged, the combined charges shall be considered as the admission charge;
34 and

35 (e) Any vehicle parking charge where the amount of such charge is
36 determined according to the number of passengers in any vehicle.

37 (2) "Person" has the meaning given in SCC 1.01.040.

38 (3) "Place" includes, but is not limited to, any museum, collection,
39 interpretive center, theater, dance hall, amphitheater, auditorium, stadium,
40 athletic pavilion or field, raceway, baseball or athletic park, fair, circus, side show,
41 swimming pool, outdoor amusement park, golf course or driving range,
42 manufacturing facility, or any similar place, including equipment to which persons
43 are admitted for purposes of recreation such as merry-go-rounds, ferris wheels,

1 dodge 'ems, roller coasters, go-carts and other rides whether such rides are
2 restricted to tracks or not.

3 (4) "Treasurer" means the Snohomish county treasurer.
4

5 **4.23.040 Application of tax.**

6 The admissions tax imposed by SCC 4.23.010 shall apply to places
7 located within:

- 8 (1) county fairgrounds property as described in chapter 2.32. SCC;
9 (2) any county park established under chapter 2.16 SCC; and
10 (3) county airport property as described in title 15 SCC.
11

12 **4.23.050 Exemptions.**

13 The admissions tax imposed by SCC 4.23.010 shall not apply to any
14 person paying an admission charge for

- 15 (1) any activity of any elementary or secondary school;
16 (2) any public facility of a public facility district under chapter 35.57 or
17 36.100 RCW for which a tax is imposed under RCW 35.57.100 or 36.100.210;
18 (3) any activity of any parent-teacher-student association (PTSA), parent-
19 teacher association (PTA), or similar organization, provided that the proceeds of
20 the activity are used to benefit an elementary or secondary school;
21 (4) any activity within a city or town for which the same or a similar kind of
22 tax is imposed by the city or town; or
23 (5) admission to any place not described in SCC 4.23.040.
24

25 **4.23.060 Counting number of admissions.**

26 Whenever a charge is made for admission to any place subject to the tax
27 imposed by SCC 4.23.010, a serially numbered or reserved seat ticket shall be
28 furnished to the person paying such charge, unless written approval has been
29 obtained from the treasurer to use a turnstile or other counting device which will
30 accurately count the number of paid admissions.
31

32 **4.23.070 Price to appear on ticket.**

33 (1) The price of admission, exclusive of the tax to be paid by the person
34 paying for admission, shall be conspicuously and indelibly printed or written on
35 the face or back of that part of the ticket which is to be taken up by the
36 management of the place for which an admission charged is exacted. This
37 requirement may be waived by the treasurer in regard to temporary or transient
38 events when time constraints make it impossible to print admission tickets.

39 (2) Violation of this section is a misdemeanor punishable by fine of not
40 exceeding one hundred dollars.
41

42 **4.23.080 Collection and administration.**

43 (1) The admissions tax imposed by SCC 4.23.010 shall be collected from
44 the person paying the admission charge at the time the admission charge is paid.

1 The person receiving payment of the admission charge shall collect the tax from
2 the person making such payment and remit the tax to the treasurer in monthly
3 remittances on or before the last day of the month succeeding the end of the
4 month in which the tax is collected.

5 (2) The treasurer may declare the admissions tax imposed upon
6 temporary or itinerant places of amusement to be immediately due and payable,
7 and collect the tax, when the treasurer believes there is a possibility that the tax
8 imposed under this chapter would not otherwise be paid.

9 (3) The admissions tax shall be held in trust by the person collecting the
10 tax until such time as it is remitted to the treasurer. If the person required to
11 collect the tax fails to collect the tax, or having collected the tax fails to remit the
12 tax to the treasurer as required by this chapter, whether such failure is the result
13 of the person's own acts or the result of acts or conditions beyond the person's
14 control, the person required to collect the tax shall nevertheless be personally
15 liable to the county for the amount of the tax.

16 (4) Any person receiving payment of an admissions charge shall make a
17 return upon such forms and setting forth such information as the treasurer may
18 specify, showing the amount of the tax upon admissions for which the person is
19 liable for the preceding monthly period, and shall sign and transmit the same to
20 the treasurer together with a remittance for the amount.

21 (5) The treasurer may in his or her discretion require any person receiving
22 payment of an admissions charge to file with the treasurer verified annual returns
23 setting forth such additional information as the treasurer may deem necessary to
24 determine tax liability correctly.

25 (6) Every person liable for the collection and remittance of the admissions
26 tax shall keep and preserve for a period of five years suitable records as may be
27 necessary to determine the amount of any tax or penalty for which the person
28 may be liable. All books, records, and invoices, including federal, state, and local
29 tax returns, shall be open for examination at any time by the treasurer or the
30 treasurer's duly authorized agent in accordance with and to the extent authorized
31 by applicable law.

32 (7) Any tax and/or penalties imposed by this chapter that are due and
33 unpaid shall constitute a debt to the county of the person liable for payment and
34 may be collected in court proceedings in the same manner as any other debt in
35 like amount, which remedy shall be in addition to any and all other existing
36 remedies.

37 **4.23.090 Deposit of tax revenues.**

38 (1) The treasurer shall deposit all revenues from the admissions tax
39 imposed by SCC 4.23.010 derived from admissions to places within county
40 airport property into an account established within the general fund (002)
41 designated for support of the aviation museum and conference center
42 established under chapter 15.10 SCC.
43

1 (2) The treasurer shall deposit all other revenues from the admissions tax
2 imposed by SCC 4.23.010 into an account established within the general fund
3 (002) designated for support of the county fair and fairgrounds administered
4 under chapter 2.32 SCC.

5 (3) All revenues from the tax imposed by this chapter may be used by the
6 county for any purpose determined appropriate by the county council, including
7 but not limited to payment of the costs of administration and the purposes
8 described in subsections (1) and (2) of this section. Such authorized uses shall
9 be identified in appropriations adopted in accordance with chapter 4.26 SCC.

10
11 **4.23.100 Penalty for delinquent tax returns.**

12 If a return provided for herein is not made and the tax is not remitted to the
13 treasurer by the due date there shall be assessed a penalty of five percent of the
14 amount of the tax; and if the return is not made and the tax is not remitted on or
15 before the last day of the month following the due date there shall be assessed a
16 total penalty of fifteen percent of the amount of the tax, and if the return is not
17 made and the tax is not remitted on or before the last day of the second month
18 following the due date there shall be assessed a total penalty of twenty-five
19 percent of the amount of the tax under this section. No penalty so added shall be
20 less than five dollars.

21
22 **4.23.110 Administrative appeal.**

23 Any person aggrieved by the amount of the tax or penalty determined by
24 the treasurer to be due under the provisions of this chapter may appeal such
25 determination to the county hearing examiner under applicable provisions of
26 chapter 2.02 SCC.

27
28 **4.23.120 Violations.**

29 Each violation or failure to comply with a provision of this chapter
30 constitutes a separate offense and is a misdemeanor.

31
32 Section 2. **Effective date.** This ordinance shall take effect July 1, 2009,
33 provided that county offices and agencies shall take all necessary steps to ensure that
34 this ordinance is implemented on its effective date.

35
36 PASSED this ____ day of _____, 2009.

37
38 SNOHOMISH COUNTY COUNCIL
39 Snohomish County, Washington

40
41 _____
42 Mike Cooper, Chairperson
43
44

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44

Dave Gossett, Vice-Chairperson

John Koster, Member

Dave Somers, Member

Brian Sullivan, Member

ATTEST:

Clerk of the Council

() APPROVED

() EMERGENCY

() VETOED

DATE: _____

County Executive

ATTEST:

Approved as to form only:

Deputy Prosecuting Attorney