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Walla Walla County, WA

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Board of Walla Walla County Commissioners

ORDINANCE NO. 350

AN ORDINANCE AMENDING WALLA WALLA COUNTY CODE SECTIONS 3.18.020 AND 3.18.060 RELATING TO TAXATION; AMENDING A RURAL COUNTY SALES AND USE TAX TO BE CREDITED AGAINST THE STATE TAX FOR THE PURPOSES OF FINANCING PUBLIC FACILITIES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Washington State Legislature has provided in Enrolled E2SSB 5557, Laws of 2007, for the imposition of a county sales and use tax for the benefit of rural counties; and

WHEREAS, Walla Walla County has previously adopted Ordinance 251 imposing a sales and use tax pursuant to Chapter 311, Laws of 1999, for the imposition of county sales and use tax in and for the benefit of rural counties, for the purpose of financing public facilities in rural counties in Chapter 3.18 of the Walla Walla County Code totaling 0.08% (eight one-hundredths of one percent); and

WHEREAS, the law now authorizes rural counties to impose a sales and use tax totaling **0.09%** (nine one-hundredths of one percent); and

WHEREAS, this sales and use tax authorization is taken as a credit against the State portion of the sales and use tax and does not increase the total tax rate; and

WHEREAS, this revenue may only be used for county public facilities which are contained in adopted plans and encourage economic development and may not be used for new justice system facilities; and

WHEREAS, Walla Walla County will benefit from encouraging further economic development;

BE IT HEREBY ORDAINED by the Board of Walla Walla County Commissioners that Sections 3.18.020 and 3.18.060 of the Walla Walla County Code be amended as follows:

3.18.020 - Rate. The tax rate shall be nine one-hundredths of one percent (0.09%) of the selling price in the case of a sales tax or value of the article used in the case of a use tax.

3.18.060 - Effective Date and Duration. The sales and use tax authorized by this ordinance shall become effective August 1, 2007, and shall remain in effect until August 1, 2024, as permitted under RCW 82.14.370(4).

Publication - This ordinance will be published by an approved summary consisting of the title.

PASSED by the Walla Walla County Board of County Commissioners in regular session at Walla Walla, Washington, by the following vote, then signed by its membership and attested by its Clerk in authorization of such passage this 30th day of July, 2007.



Approved this 30th day of July, 2007





Gregg C. Loney, Chair



David G. Carey, Member



Gregory A. Tompkins, Commissioner

Constituting the Board of County Commissioners
of Walla Walla County, Washington

Attest:



Connie R. Vinti, Clerk of the Board

Approved as to form



James L. Nagle, Prosecuting Attorney



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RCW 82.14.370**Sales and use tax for public facilities in rural counties.**

(1) The legislative authority of a rural county may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax shall not exceed 0.09 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax, except that for rural counties with population densities between sixty and one hundred persons per square mile, the rate shall not exceed 0.04 percent before January 1, 2000.

(2) The tax imposed under subsection (1) of this section shall be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue shall perform the collection of such taxes on behalf of the county at no cost to the county.

(3)(a) Moneys collected under this section shall only be used to finance public facilities serving economic development purposes in rural counties and finance personnel in economic development offices. The public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town located within the county for those counties planning under RCW 36.70A.040. For those counties that do not have an adopted overall economic development plan and do not plan under the growth management act, the public facility must be listed in the county's capital facilities plan or the capital facilities plan of a city or town located within the county.

(b) In implementing this section, the county shall consult with cities, towns, and port districts located within the county and the associate development organization serving the county to ensure that the expenditure meets the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection. Each county collecting money under this section shall report, as follows, to the office of the state auditor, within one hundred fifty days after the close of each fiscal year: (i) A list of new projects begun during the fiscal year, showing that the county has used the funds for those projects consistent with the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection; and (ii) expenditures during the fiscal year on projects begun in a previous year. Any projects financed prior to June 10, 2004, from the proceeds of obligations to which the tax imposed under subsection (1) of this section has been pledged shall not be deemed to be new projects under this subsection. No new projects funded with money collected under this section may be for justice system facilities.

(c) The definitions in this section apply throughout this section.

(i) "Public facilities" means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, and port facilities in the state of Washington.

(ii) "Economic development purposes" means those purposes which facilitate the creation or retention of businesses and jobs in a county.

(iii) "Economic development office" means an office of a county, port districts, or an associate development organization as defined in RCW 43.330.010, which promotes economic development purposes within the county.

(4) No tax may be collected under this section before July 1, 1998. No tax may be collected under this section by a county more than twenty-five years after the date that a tax is first imposed under this section.

(5) For purposes of this section, "rural county" means a county with a population density of less than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles as determined by the office of financial management and published each year by the department for the period July 1st to June 30th.

[2007 c 478 § 1; 2007 c 250 § 1; 2004 c 130 § 2; 2002 c 184 § 1; 1999 c 311 § 101; 1998 c 55 § 6; 1997 c 366 § 3.]

Notes:

Reviser's note: This section was amended by 2007 c 250 § 1 and by 2007 c 478 § 1, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Effective date -- 2007 c 478: "This act takes effect August 1, 2007." [2007 c 478 § 2.]

Intent -- 2004 c 130: "It is the intent of the legislature in enacting this 2004 act to reaffirm the original goals of the 1997 act which first provided distressed counties with the local option sales and use tax contained in RCW 82.14.370.

The local option tax is now available to all rural counties and the continuing legislative goal for RCW 82.14.370 is to promote the creation, attraction, expansion, and retention of businesses and provide for family wage jobs." [2004 c 130 § 1.]

Finding -- Intent -- 1999 c 311: "The legislature finds that while Washington's economy is currently prospering, economic growth continues to be uneven, particularly as between metropolitan and rural areas. This has created in effect two Washingtons: One afflicted by inadequate infrastructure to support and attract investment, another suffering from congestion and soaring housing prices. In order to address these problems, the legislature intends to use resources strategically to build on our state's strengths while addressing threats to our prosperity." [1999 c 311 § 1.]

Part headings and subheadings not law -- 1999 c 311: "Part headings and subheadings used in this act are not any part of the law." [1999 c 311 § 601.]

Effective date -- 1999 c 311: "Sections 1, 101, 201, 301 through 305, 401, 402, 601, and 605 of this act take effect August 1, 1999." [1999 c 311 § 604.]

Severability -- 1999 c 311: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1999 c 311 § 606.]

Intent -- 1997 c 366: "The legislature recognizes the economic hardship that rural distressed areas throughout the state have undergone in recent years. Numerous rural distressed areas across the state have encountered serious economic downturns resulting in significant job loss and business failure. In 1991 the legislature enacted two major pieces of legislation to promote economic development and job creation, with particular emphasis on worker training, income, and emergency services support, along with community revitalization through planning services and infrastructure assistance. However even though these programs have been of assistance, rural distressed areas still face serious economic problems including: Above-average unemployment rates from job losses and below-average employment growth; low rate of business start-ups; and persistent erosion of vitally important resource-driven industries.

The legislature also recognizes that rural distressed areas in Washington have an abiding ability and consistent will to overcome these economic obstacles by building upon their historic foundations of business enterprise, local leadership, and outstanding work ethic.

The legislature intends to assist rural distressed areas in their ongoing efforts to address these difficult economic problems by providing a comprehensive and significant array of economic tools, necessary to harness the persistent and undaunted spirit of enterprise that resides in the citizens of rural distressed areas throughout the state.

The further intent of this act is to provide:

- (1) A strategically designed plan of assistance, emphasizing state, local, and private sector leadership and partnership;
- (2) A comprehensive and significant array of business assistance, services, and tax incentives that are accountable and performance driven;
- (3) An array of community assistance including infrastructure development and business retention, attraction, and expansion programs that will provide a competitive advantage to rural distressed areas throughout Washington; and
- (4) Regulatory relief to reduce and streamline zoning, permitting, and regulatory requirements in order to enhance the capability of businesses to grow and prosper in rural distressed areas." [1997 c 366 § 1.]

Goals -- 1997 c 366: "The primary goals of chapter 366, Laws of 1997 are to:

- (1) Promote the ongoing operation of business in rural distressed areas;
- (2) Promote the expansion of existing businesses in rural distressed areas;
- (3) Attract new businesses to rural distressed areas;
- (4) Assist in the development of new businesses from within rural distressed areas;
- (5) Provide family wage jobs to the citizens of rural distressed areas; and

(6) Promote the development of communities of excellence in rural distressed areas." [1997 c 366 § 2.]

Severability -- 1997 c 366: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1997 c 366 § 11.]

Captions and part headings not law -- 1997 c 366: "Section captions and part headings used in this act are not any part of the law." [1997 c 366 § 12.]