An Ordinance of the Pierce County Council Relating to Local Sales or Use Taxes; Authorizing the Maximum Capacity of the Tax Authorized Under the Provisions of Substitute House Bill 1406 (hereinafter Chapter 338, Laws of 2019) for Affordable and Supportive Housing; Adopting a New Chapter 4.29 of the Pierce County Code, “Sales and Use Tax – Credit Against Prior Tax”; Authorizing the Pierce County Executive to Contract with the State of Washington to Collect the Tax Imposed by this Ordinance; Requesting Compliance with RCW 82.14.055; Directing the Clerk of the Council to Transmit the Adopted Ordinance to the Department of Revenue; and Requesting the Executive to Report Annually to the Department of Commerce on the Collection and Use of Revenues Received.

Whereas, Chapter 388, Laws of 2019, relating to encouraging investments in affordable housing was adopted in the 2019 session; and

Whereas, the Pierce County Council adopted Resolution No. R2019-103 declaring the County’s intent to adopt legislation pursuant to Chapter 338, Laws of 2019 to authorize a local sales and use tax credited against the state sales and use tax for affordable or supportive housing at the maximum rate established for counties under that statute; and

Whereas, to collect the tax, a county must adopt an ordinance authorizing the tax within one year of the effective date of the bill, or July 28, 2020; and

Whereas, the Human Services Department is prepared to coordinate the development of a plan for use of resources consistent with Chapter 338, Laws of 2019;

Now Therefore,

BE IT ORDAINED by the Council of Pierce County:
Section 1. A new Chapter 4.29 of the Pierce County Code, "Sales and Use Tax – Credit Against Prior Tax," is hereby adopted as shown in Exhibit A, which is attached hereto and incorporated herein by reference.

Section 2. The Pierce County Executive is hereby requested to contract with the Washington State Department of Revenue to collect the local sales and use tax established by Chapter 338, Laws of 2019 and this Ordinance.

Section 3. County departments are requested to take all necessary steps to implement this Ordinance as soon as possible in accordance with RCW 82.14.055. The Clerk of the Council shall forthwith transmit a copy of this adopted Ordinance to the Washington State Department of Revenue.

Section 4. The Executive is hereby requested to report annually to the Department of Commerce on the collection and use of the revenues received as provided in Chapter 338, Laws of 2019.

PASSED this 13th day of August, 2019.

ATTEST:

Denise D. Johnson
Clerk of the Council

PIERCE COUNTY COUNCIL
Pierce County, Washington

Date of Publication of Notice of Public Hearing: August 7, 2019
Effective Date of Ordinance: August 24, 2019
CHAPTER 4.29

SALES AND USE TAX – CREDIT AGAINST PRIOR TAX

Sections:

4.29.010 Affordable and Supportive Housing Sales Tax Credit – Definitions.

4.29.020 Affordable and Supportive Housing Sales Tax Credit – Imposition.

4.29.030 Affordable and Supportive Housing Sales Tax Credit – Rate.

4.29.040 Affordable and Supportive Housing Sales Tax Credit – Deduction.

4.29.050 Affordable and Supportive Housing Sales Tax Credit – Expiration.

4.29.010 Affordable and Supportive Housing Sales Tax Credit – Definitions.

"Nonparticipating City," "Nonparticipating County," "Participating City," "Participating County," and "Qualifying Local Tax" shall have the definitions provided in Section 1, Chapter 338, Laws of 2019.

4.29.020 Affordable and Supportive Housing Sales Tax Credit – Imposition.

Pierce County is a participating county under Chapter 338, Laws of 2019. There is authorized, fixed and imposed a sales and use tax on every taxable event, as defined in RCW 82.14.020, in nonparticipating cities and participating cities identified in Chapter 338, Laws of 2019, as appropriate for taxation by a participating county. There is also authorized, fixed and imposed a sales and use tax on every taxable event, as defined in RCW 82.14.020, in unincorporated Pierce County for the time period identified as appropriate for taxation by a participating county under Chapter 338, Laws of 2019. The tax shall be imposed upon and collected from those persons from whom the state sales or use tax is collected pursuant to Chapters 82.08 and 82.12 RCW and may only be used for affordable and supportive housing purposes as provided in Chapter 338, Laws of 2019.

4.29.030 Affordable and Supportive Housing Sales Tax Credit – Rate.

The rate of the tax imposed by PCC 4.29.020 shall be the maximum rate permitted counties under Chapter 338, Laws of 2019.

4.29.040 Affordable and Supportive Housing Sales Tax Credit – Deduction.

The tax imposed under this Section must be deducted from the amount of tax otherwise required to be collected or paid to the Department of Revenue under Chapters 82.08 or 82.12 RCW.

4.29.050 Affordable and Supportive Housing Sales Tax Credit – Expiration.

The tax imposed by this Chapter expires 20 years after the date on which the tax is first imposed.