

**ORDINANCE NO. 41****AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON,  
IMPOSING A TAX ON GAMBLING ACTIVITIES AND PRESCRIBING  
PENALTIES FOR VIOLATION OF THIS ORDINANCE**

WHEREAS, RCW 9.46.110 and .270 authorize the City to impose taxes on specified gambling activities which are permitted by Chapter 9.46. RCW; and

WHEREAS, King County presently imposes a tax on gambling activity, which tax shall terminate on the official date of incorporation of the City and thus, imposition of a City tax will not result in any increase in taxes presently paid by the residents of the City; and

WHEREAS, the City will enact an Ordinance under authority of RCW 9.46.192 and .285 pertaining to regulation of gambling activities within the City; and

WHEREAS, regulating and policing gambling activities will necessitate the expenditure of City law enforcement funds; and

WHEREAS, RCW 9.46.113, provides that the tax on gambling activities shall be used primarily for the purpose of defraying such costs of law enforcement;

**THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DOES  
ORDAIN AS FOLLOWS:**

**Section 1.** Gambling tax imposed. Pursuant to RCW 9.46.110, as the same now exists or may hereafter be amended, there is levied upon all persons, associations or organizations a tax on all gambling activities occurring within the City as permitted by state law at the following rates:

- A. Bingo or raffles at a rate of ten percent of the gross revenues received therefrom, less the amount paid for as prizes;
- B. Amusement games at a rate of two percent of the sum of the gross revenues received therefrom, less the amount paid for as prizes, and which rate will generate an amount sufficient to pay the actual costs of enforcement of the provisions of this ordinance and RCW 9.46;
- C. Punchboards or pull-tabs at a rate of five percent of gross receipts.

**Section 2.** Exemptions. No tax shall be imposed pursuant to this ordinance on bingo or amusement games when such gambling activities, or any combination thereof, are conducted by a bona fide charitable or nonprofit organization as defined in RCW 9.46.0209, as the same now exists or may hereafter be amended, which organization has no paid operating or management personnel for the gambling activities and has gross income from bingo or amusement games, or any combination thereof, not exceeding five thousand dollars per year, less

the amount paid for as prizes. No tax shall be imposed on the first \$10,000 of net proceeds from raffles conducted by bona fide charitable organizations.

**Section 3. Administration of tax.** The administration and collection of the tax imposed by Section 1 shall be by the City Clerk and pursuant to the rules and regulations of the Washington State Gambling Commission. The City Clerk is instructed and authorized to adopt appropriate reporting requirements, to ensure the effective administration of license holders exempt from the payment of the tax and to make such further rules and regulations for the purpose of carrying out the provisions of this ordinance.

**Section 4. Charitable, nonprofit organization-Declaration of intent to conduct gambling activity.** For the purpose of identifying the persons, associations and organizations that shall be subject to the tax imposed by Section 1, any bona fide charitable or nonprofit corporation intending to conduct or operate any bingo game, raffle or amusement game which requires licensing as provided in and authorized by RCW Chapter 9.46, as the same now exists or may be hereafter amended, shall, prior to commencement of any such activity, file with the City Clerk a sworn declaration of intent to conduct or operate such activity, together with a copy of the license issued in accordance with RCW Chapter 9.46, as the same now exists or may be hereafter amended, as amended. Thereafter, for any period covered by such State license or any renewal thereof, any such licensed bona fide charitable or nonprofit corporation shall, on or before the fifteenth day of the month following the end of the quarterly period in which the tax accrued, file with the City Clerk a sworn statement, on a form to be provided and prescribed by the City Clerk, for the purpose of ascertaining the tax due for the preceding quarterly period.

**Section 5. Tax due date-Delinquency.**

A. The tax imposed by Section 1 shall be due and payable in quarterly installments, and remittance therefor shall accompany such return and be made on or before the thirtieth day of the month next succeeding the quarterly period in which the tax accrued.

B. For each payment due, if such payment is not made by the due date thereof, there shall be added a penalty as follows:

1. If paid on or before the fifteenth day of the second month next succeeding the quarterly period in which the tax accrued, ten percent with a minimum penalty of five dollars;

2. If paid prior to the thirtieth day of the second month next succeeding the quarterly period in which the tax accrued, fifteen percent with a minimum penalty of ten dollars;

3. Failure to make payment by the thirtieth day of the second month succeeding the quarterly period in which the tax accrued shall result in a penalty of twenty percent with a minimum penalty of fifteen dollars.

**Section 6. Financial records.** It shall be the responsibility of all officers, directors and managers of any corporation conducting any gambling activities subject to taxation under this ordinance to make available at all reasonable times such financial records as the City Clerk may require to determine full compliance with this ordinance.

**Section 7. Definitions.** For the purposes of this ordinance, the terms used herein shall have the same meanings as defined in Chapter 9.46 RCW, as the same now exists or may hereafter be amended.

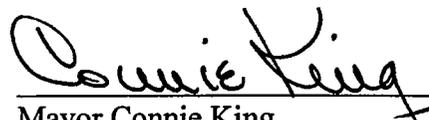
**Section 8. Unlawful acts.** It is unlawful for any person liable for the tax imposed by this ordinance to fail to pay the tax when due or for any person to make any false or fraudulent return or any false statement in connection with the return.

**Section 9. Penalty.** Any person violating any provision of this ordinance shall be guilty of a misdemeanor and upon conviction thereof punished pursuant to state law or city ordinance.

**Section 10. Severability.** If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

**Section 11. Effective date and Date of Publication.** A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall take effect and be in full force (5) days after the date of publication or the date of incorporation as the law may require.

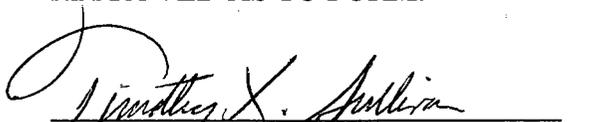
**PASSED BY THE CITY COUNCIL ON AUGUST 14TH, 1995.**

  
\_\_\_\_\_  
Mayor Connie King

ATTEST:

  
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Marie K. O'Connell, Interim City Clerk

APPROVED AS TO FORM:

  
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Timothy X. Sullivan, Interim City Attorney

Date of Publication: 8/17/95.  
Effective Date: 8/22/95.