AN ORDINANCE OF THE CITY OF SAMMAMISH, 
WASHINGTON, IMPOSING A TAX ON GAMBLING
ACTIVITIES AND PRESCRIBING PENALTIES FOR
VIOLATION OF THIS ORDINANCE; PROVIDING FOR
SEVERABILITY; AND ESTABLISHING AN EFFECTIVE
DATE

WHEREAS, RCW 9.46.110 and RCW 9.46.270 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 RCW
9.46.285 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;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAMMAMISH,
WASHINGTON, DO 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 (10%) of the gross revenues received
therefrom, less the amount paid for as prizes;

B. Amusement games at a rate of two percent (2%) 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 (5%) of gross receipts;
D. All social card game rooms licensed under the provisions of RCW 9.46.030(1) and RCW 9.46.030(4) at a rate equal to eleven percent (11%) of the annual gross receipts exceeding ten thousand dollars.

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 9.46.020, 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 Finance and pursuant to the rules and regulations of the Washington State Gambling Commission. Finance 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, or 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 Finance 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 Finance a sworn statement, on a form to be provided and prescribed by Finance 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
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 Finance 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. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 11. Effective Date. 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 on August 31, 1999.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 9 DAY OF June, 1999.

CITY OF SAMMAMISH

Mayor Phil Dyer
ATTEST/AUTHENTICATED:

Ruth Muller, Interim City Clerk

Approved as to form:

Bruce L. Disend, City Attorney

Filed with the City Clerk: June 4, 1999
Passed by the City Council: June 9, 1999
Ordinance No. 099-98
Date of Publication: June 17, 1999