

## CHAPTER 3.50

### ADMISSIONS TAX

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#### **3.50.010: Definitions:**

- (1) "Admission Charge," in addition to its usual and ordinary meaning includes:
  - (a) A charge made for season tickets and subscriptions;
  - (b) A cover charge, or a charge made for use of seats and tables reserved or otherwise, and other similar accommodations;
  - (c) A charge made for food and refreshment in any place where free entertainment, recreation or amusement is provided;
  - (d) A charge made for rental or use of equipment or facilities for purposes of recreation or amusement. If the rental of the equipment or facilities is necessary to the enjoyment of a privilege for which the general admission is charged, the combined charges shall be considered as the admission charge;
  - (e) Automobile parking charges if the amount of the charge is determined according to the number of passengers in the automobiles; and
  - (f) Any sum of money referred to as "a donation" which must be paid before entrance is allowed.
- (2) "Bona Fide Charitable or Non-Profit Organization" means any organization duly existing under the provisions of RCW Chapters 24.12, 24.20 or 24.28, or any agricultural fair organized under the provisions of RCW 36.37 or 15.76, or any non-profit corporation duly existing under the provisions of RCW Chapter 24.03 for charitable, benevolent, eleemosynary, educational, civic, patriotic, political, social, fraternal, athletic or agricultural purposes, or any non-profit organization or association, whether incorporated or otherwise, when found by the Treasurer to be organized and operating or conducting an event or activity for one or more of the above-listed purposes.

(3) "Person" means an individual, receiver, assignee, firm, co-partnership, joint venture, corporation, company, joint stock company, association, society, or a group of individuals acting as a unit whether mutual, cooperative, fraternal, non-profit or otherwise.

(4) "Place" includes a theater, dance hall, amphitheater, auditorium, stadium, athletic pavilion or field, swimming pool, aquatic park, baseball or other athletic park, golf course, or driving range, circus, side show, amusement park, merry-go-round, ferris wheel, roller coaster, observation tower, arcade and similar attractions.

(5) "Treasurer" means the Treasurer of the City of Kennewick or his designee. (Ord. 3533 Sec. 1 (part), 1994: Ord. 3092 Sec. 1, 1987: Ord. 2980 Sec. 1 (part), 1986)

### **3.50.020: Tax Levied:**

(1) There is levied and imposed upon every person who pays an admission charge of more than ten cents to any place, a tax of one cent on each twenty cents or fraction thereof of the admission charge paid. This tax shall be based upon the price of a regular admission for any person who is admitted free of charge, at a reduced rate or by season tickets, subscriptions or dues which are less than that paid as regular prices by members of the public generally.

(2) In the case of direct admission charges which are insufficient to cover the expenses of the attraction provided, the Treasurer shall consider the gross receipts of all activities conducted, sponsored or authorized as constituting the admission charge. A deduction for the actual cost of supplies may be allowed on such terms as the Treasurer may prescribe. (Ord. 3533 Sec. 1 (part), 1994: Ord. 3092 Sec. 2, 1987: Ord. 2980 Sec. 1 (part), 1986)

### **3.50.030: Exemptions:**

(1) The provisions of this chapter do not apply to admission charges for an event or activity conducted or held by any bona fide charitable or non-profit organization when all the net proceeds, after payment of the cost and expense of conducting such event, inure to such organization for the purposes thereof, so long as the event is conducted only by regular members of the charitable or non-profit organization conducting the event, and provided that the event is not conducted in an enclosed facility capable of accommodating more than 2,500 attendees.

(2) The provisions of this chapter do not apply to admission charges paid by any governmental agency.

(3) The provisions of this chapter do not apply to admission charges paid for any activity of any elementary or secondary school.

(4) The provisions of this chapter do not apply to admissions upon which sales tax are collected under RCW 82.08 except aquatic parks. (Ord. 3542 Sec. 1, 1994: Ord. 3092 Sec. 3, 1987: Ord. 2980 Sec. 1 (part), 1986)

### **3.50.040: Tickets – Receipts – Coins:**

(1) Admission tickets or cards must have the name of the place and the admission price, exclusive of the admission tax, conspicuously and indelibly printed, stamped or written on that part of the ticket which is to be taken up by the management at the time of admission. The tax shall be stated separately and the total to be collected conspicuously and indelibly printed.

(2) In the case of places where admission tickets are not customarily provided such as bowling alleys, cabarets and similar activities, the tax need not be separately stated from the total price of admissions and the total collected shall be considered as including the tax.

(3) In the case of places where admission is by payment of a coin such as into a coin-operated amusement device, coin-operated turnstile, etc., the tax shall be computed as if included within the smallest fee necessary to gain admission, operate a game, etc. (Ord. 2980 Sec. 1 (part), 1986)

**3.50.050: Business License Required:** Prior to conducting any activity for which an admission is charged, a business license or other license required by Title 6 shall be obtained by the taxpayer. Nothing herein exempts a person otherwise regulated or taxed under the provisions of Title 6 of this code. (Ord. 2980 Sec. 1 (part), 1986)

**3.50.060: Collection of Tax:** Every person receiving payment for admission is required to collect the amount of the admissions tax from the person making the admission payment at the time the admission charge is paid. (Ord. 2980 Sec. 1 (part), 1986)

**3.50.070: Remittance of Tax:**

(1) The tax collected under 3.50.060 shall be held in trust until paid to the Treasurer. Should a person required to collect the admissions tax fail either to collect or remit the tax, the City shall have a similar claim for the amount of the tax, plus interest as provided in this chapter, against the proceeds of admission charges received by such person.

(2) Unless in a particular case the Treasurer authorizes a different procedure, each person required to collect the admissions tax must file a tax return accompanied by remittance of the tax due bi-monthly, by the fifteenth day of the month next following the end of each bimonthly reporting period. The Treasurer prescribes the form and content of the tax return.

(3) Not by way of limiting the discretion to regulate the remittance of the tax under this chapter, the Treasurer is specifically authorized to require verified annual tax returns and to require the immediate remittance of the tax on admissions to a single event or series of a temporary or transitory nature. (Ord. 3533 Sec. 1 (part), 1994: Ord. 2980 Sec. 1 (part), 1986)

**3.50.080: Books and Records:** Every person required to collect the admissions tax must keep and make available at all reasonable times for inspection and audit by the Treasurer all books, records and accounts pertinent to the tax for a period of two years. (Ord. 3533 Sec. 1 (part), 1994: Ord. 2980 Sec. 1 (part), 1986)

**3.50.090: Termination of Collector's Business:** Whenever a person required to collect the tax under this chapter quits or otherwise disposes of the business, any tax collected becomes immediately payable to the Treasurer. If such tax be not remitted within ten days after a sale or other disposal of the business, the purchaser or successor becomes liable to the City for such tax. (Ord. 3533 Sec. 1 (part), 1994: Ord. 2980 Sec. 1 (part), 1986)

**3.50.100: Procedure upon Failure to File Return:** Should a person fail to file a required admissions tax return, the Treasurer may make a determination of the amount of tax due from such person based on whatever information is available and notify such person by mail of the amount of tax so determined, along with interest and penalties, and direct such person to remit such amount within ten days. (Ord. 3533 Sec. 1 (part), 1994: Ord. 2980 Sec. 1 (part), 1986)

**3.50.110: Interest and Penalty:**

(1) Should a person fail to pay the tax due in the time prescribed, he shall become liable for interest on the tax due at the rate of one percent per month or fraction thereof.

(2) Should a person fail to pay the tax due within thirty days after it is due, he shall become liable for a penalty of ten percent of the amount of the tax due, in addition to the interest provided for in 3.50.110(1). (Ord. 2980 Sec. 1 (part), 1986)

**3.50.120: Temporary Amusement – Property Owner Liable:** Whenever a license is obtained for the purpose of operating or conducting a temporary or transitory amusement, entertainment or exhibition by a person who is not the owner, lessee or custodian of the building, lot or place where the amusement is to be conducted, the tax imposed by this chapter shall be reported and remitted as provided in 3.50.070 by the owner, lessee, or custodian unless paid by the person conducting the activity. The applicant shall furnish the Treasurer the name and address of the owner, lessee or custodian of the premises upon which the amusement is to be conducted, and the owner, lessee or custodian will be notified by the Treasurer of the issuance of the license and the joint liability for collection and remittance of such tax. (Ord. 3533 Sec. 1 (part), 1994; Ord. 2980 Sec. 1 (part), 1986)

**3.50.130: Rules and Regulations:** The Treasurer may adopt and promulgate rules and regulations for administration and enforcement of this chapter. (Ord. 3533 Sec. 1 (part), 1994; Ord. 2980 Sec. 1 (part), 1986)

**3.50.140: Failure to Remit:** Any person, and his officers and agents, failing to timely remit any admissions tax payable to the City is personally liable for the amount of tax due and for interest and penalty and is also subject to prosecution for violation of this chapter. (Ord. 2980 Sec. 1 (part), 1986)

**3.50.150: Violation – Penalty:** It is unlawful for a person to fail to comply with any requirement of this chapter or the rules and regulations promulgated hereunder. Each violation is a separate offense punishable by fine not to exceed \$500.00, imprisonment for not more than ninety days, or both such fine and imprisonment. (Ord. 2980 Sec. 1 (part), 1986)