

RESOLUTION NO. 259

A RESOLUTION OF THE CITY OF WOODINVILLE ENDORSING THE WASHINGTON STATE ADOPTION AND IMPLEMENTATION OF STREAMLINED SALES TAXES CONCURRENT ONLY UPON FEDERAL ADOPTION OF INTERNET AND CATALOG SALES TAXES; AND REQUESTING THE STATE OF WASHINGTON ADOPT A POINT OF DELIVERY SALES TAX COLLECTION SYSTEM, BUT ORDERS THE DEPARTMENT OF REVENUE TO DISTRIBUTE SALES TAX TO WASHINGTON CITIES BASED ON POINT OF SALE.

WHEREAS, the City of Woodinville understands and supports the concept of streamlining definitions and sales tax rates for interstate sales, and

WHEREAS, the City of Woodinville believes it is important to make the State sales tax system effective and efficient for private businesses both within the state of Washington and for businesses outside our geographic boundaries, and

WHEREAS, the State of Washington's tax structure is highly dependent upon sales tax receipts, and

WHEREAS, the City of Woodinville has made a commitment to the citizens and businesses of Woodinville, and

WHEREAS, the commitment to the citizens and businesses includes capital programs that have promised present and future dollars for the construction and reconstruction of infrastructure and facilities, the purchase of open space and park land, and the delivery of services to the citizens of Woodinville, and

WHEREAS, the City of Woodinville and many other cities, pursuant to the expectations of the Growth Management Act, have worked hard to develop economic, traffic and land use policies that meet regional needs for employment in industrial and retail fields, and have made significant improvements to the transportation grid, including State routes, using resources from the City of Woodinville tax base; and

WHEREAS, the City's industrial, commercial and retail zones have provided a sales tax base that has allowed the City to develop and improve infrastructure to facilitate commerce, and that the City has used revenue from these zones to mitigate concurrent impacts; and

WHEREAS, the same industrial, commercial and retail zones place disproportionate traffic, utility and public safety demands on the citizens of Woodinville; and

WHEREAS, if the State changes the distribution of sales tax receipts from point of sale to point of distribution, there is a tax shift between cities who have developed the economic and land use policies to support regional growth to areas where cities have chosen not to have this activity in their geographic boundaries;

WHEREAS, if the State changes the distribution of sales tax receipts from point of sale to point of distribution, a small number of cities will bear the largest share of the burden; and

WHEREAS, the issues of equity are of great importance to the City of Woodinville, and

WHEREAS, the proposed changes would provide a positive impact for the State of Washington, but would produce disparate impacts for all other jurisdictions.

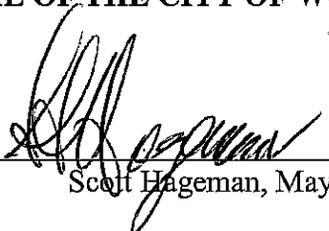
NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODINVILLE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City of Woodinville supports the concept of streamlining sales tax information and definitions to make it easier for inter and intra state commerce.

Section 2. The City of Woodinville strongly urges the Department of Revenue adopt a policy for adopting sales tax streamlining for interstate sales, but for intrastate sales the point of sale distribution of sales tax continues.

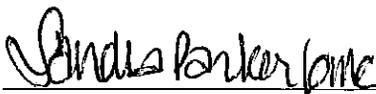
Section 3. The City of Woodinville endorses the Washington State adoption and implementation of streamlined sales taxes concurrent only upon federal adoption of internet and catalog sales taxes.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF WOODINVILLE
THIS 17th DAY OF NOVEMBER 2003.**



Scott Hageman, Mayor

ATTEST/AUTHENTICATED:



Sandra Parker
City Clerk/CMC

Sandra Parker
City Clerk/CMC