

## **ORDINANCE NO. 2022-3**

### **AN ORDINANCE OF THE TOWN OF EATONVILLE, WASHINGTON, AMENDING CHAPTER 3.24 OF THE EATONVILLE MUNICIPAL CODE AND IMPOSING AN ADDITIONAL QUARTER PERCENT REAL ESTATE EXCISE TAX**

**WHEREAS**, despite continuing efforts to reduce spending, the cost of providing Town services is outpacing revenues; and

**WHEREAS**, maintaining public services has been prioritized over capital maintenance, repairs or construction; and

**WHEREAS**, deferred maintenance and repair of capital facilities means ongoing deterioration which will cost more to address in the long term; and

**WHEREAS**, RCW 82.46.035 authorizes the Eatonville Town Council to adopt an ordinance imposing an additional excise tax of one quarter of one percent (0.25%) of the selling price on each sale of real property within the Town's limits; and

**WHEREAS**, collecting the additional real estate excise tax would align Eatonville with the tax collection practices of neighboring municipalities, including Bonney Lake, Buckley, Carbonado, Enumclaw, Orting, Roy and Pierce County; and

**WHEREAS**, this additional real estate excise tax will generate an estimated \$100,000 per year in new revenue, which will be deposited in a special revenue fund and will only be used for capital projects as described in RCW 82.46.010; now, therefore,

**BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF EATONVILLE  
AS FOLLOWS:**

**Section 1.** Eatonville Municipal Code Chapter 3.24 Real Estate Excise Tax is amended to read as set forth in Exhibit A, attached hereto and incorporated by this reference.

**Section 2.** 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 preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

**Section 3.** This ordinance shall take effect after publication of a summary, consisting of the title, pursuant to RCW 35.27.300.

1ST READING: 06/13/2022

2ND READING: 06/27/2022

**PASSED** by the Town Council of the Town of Eatonville and attested by the Clerk in authentication of such passage this \_\_\_\_ day of \_\_\_\_\_, 2022.

---

David Baublits  
Mayor

ATTEST:

---

Miranda Doll  
Town Clerk

APPROVED AS TO FORM:

---

Gregory A. Jacoby  
Town Attorney

Chapter 3.24  
REAL ESTATE EXCISE TAX

Sections:

- 3.24.010 Real estate excise tax imposed~~Authorization—Imposed.~~  
3.24.020 Additional real estate excise tax imposed.  
3.24.030 Taxable events.  
3.24.040 Consistency with state tax.  
3.24.02050 Distribution of tax proceeds and limiting the use thereof~~Capital improvement fund.~~  
3.24.03060 Seller's obligation~~Effective date.~~  
3.24.04070 Lien provisions~~Administration and collection of tax.~~  
3.24.080 Notation of payment.  
3.24.090 Date payable.  
3.24.100 Excessive and improper payments.

3.24.010 Real estate excise tax imposed~~Authorization—Imposed.~~

Pursuant to RCW 82.46.010, the town imposes an excise tax on each sale of real property within the corporate limits of the town of Eatonville, at a tax rate of one-quarter of one percent (0.25%) of the selling price.

3.24.020 Additional real estate excise tax imposed.

In accordance with RCW 82.46.035, and in addition to the excise tax on the sale of real property imposed by Section 3.24.010 there is hereby imposed an excise tax on each sale of real property located within the corporate limits of the town at the rate of one quarter of one percent (0.25%) of the selling price to be collected by the County as prescribed in RCW 82.46.060. Proceeds from this additional tax shall be deposited in a separate account in the municipal capital improvements fund and expended as authorized by law under RCW 82.46.035.

3.24.030 Taxable events.

Taxes imposed herein shall be collected from persons who are taxable by the state under chapter 82.45 RCW and chapter 458-61 WAC upon the occurrence of any taxable event within the corporate limits of the town.

3.24.040 Consistency with state tax.

The taxes imposed herein shall comply with all applicable rules, regulations, laws and court decisions regarding real estate excise taxes as imposed by the state under chapter 82.45 RCW and chapter 458-61 WAC. The provisions of those chapters, to the extent they are not inconsistent with this ordinance, shall apply as though fully set forth herein.

3.24.020-050 Distribution of tax proceeds and limiting the use thereof~~Capital improvement fund.~~

Pursuant to RCW 82.46.010, the moneys received by the town from this tax shall be placed in a town capital improvement fund designated as the real estate excise tax fund—130, and used only for capital improvement purposes as authorized by state statute.

- A. The county treasurer shall place one percent of the proceeds of the taxes imposed herein in the county current expense fund to defray costs of collection.

B. The remaining proceeds from town taxes imposed herein shall be distributed to the town monthly and those taxes imposed under Section 1 shall be placed by the town treasurer in a municipal capital improvements fund. This capital improvements fund shall be used by the town as authorized by RCW 82.46.010, as now or hereafter amended.

A.C. This section shall not limit the existing authority of this town to impose special assessments on property specially benefited thereby in the manner prescribed by law.

3.24.0630 Seller's obligation. ~~Effective date.~~

The taxes imposed herein are the obligation of the seller and may be enforced through the action of debt against the seller or in the manner prescribed for the foreclosure of mortgages. ~~The ordinance codified in this chapter shall be effective 30 days from date of its passage and true copies of the ordinance shall be forwarded to the appropriate agencies of the state of Washington, and Pierce County.~~

3.24.0740 Lien Provisions. ~~Administration and collection of tax.~~

The taxes imposed herein and any interest or penalties thereon are the specific lien upon each piece of real property sold from the time of sale or until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages. Resort to one course of enforcement is not an election not to pursue the other. ~~The administration and collection of the tax imposed by this chapter shall be in accordance with the provisions of RCW 82.46.030.~~

3.24.080 Notation of payment.

The taxes imposed herein shall be paid to and collected by the treasurer of the county within which is located the real property which was sold. The county treasurer shall act as agent for the town within the county imposing the tax. The county treasurer shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance prior to its recording or to the real estate excise tax affidavit in the case of used mobile home sales. A receipt issued by the county treasurer for the payment of the tax imposed herein shall be evidence of the satisfaction of the lien imposed in Section 3.24.040 and may be recorded in the manner prescribed for recording satisfactions or mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the county auditor for filing or recording until the tax is paid and the stamp affixed thereto; in case the tax is not due on the transfer, the instrument shall not be accepted until suitable notation of this fact is made on the instrument by the county treasurer.

3.24.090 Date payable.

The tax imposed hereunder shall become due and payable immediately at the time of sale and, if not so paid within thirty days thereafter, shall bear interest at the rate of one percent per month from the time of sale until the date of payment.

3.24.100 Excessive and improper payments.

If, upon written application by a taxpayer to the county treasurer for a refund, it appears a tax has been paid in excess of the amount actually due or upon a sale or other transfer declared to be exempt, such excess amount or improper payment shall be refunded by the county treasurer to the taxpayer: PROVIDED, That no refund shall be made unless the state has first authorized the refund of an excessive amount or an improper amount paid, unless such improper amount was paid as a

result of a miscalculation. Any refund made shall be withheld from the next monthly distribution to the town.

Chapter 3.24  
REAL ESTATE EXCISE TAX

Sections:

- 3.24.010 Real estate excise tax imposed.
- 3.24.020 Additional real estate excise tax imposed.
- 3.24.030 Taxable events.
- 3.24.040 Consistency with state tax.
- 3.24.050 Distribution of tax proceeds and limiting the use thereof.
- 3.24.060 Seller's obligation.
- 3.24.070 Lien provisions.
- 3.24.080 Notation of payment.
- 3.24.090 Date payable.
- 3.24.100 Excessive and improper payments.

3.24.010 Real estate excise tax imposed.

Pursuant to RCW 82.46.010, the town imposes an excise tax on each sale of real property within the corporate limits of the town of Eatonville, at a tax rate of one-quarter of one percent (0.25%) of the selling price.

3.24.020 Additional real estate excise tax imposed.

In accordance with RCW 82.46.035, and in addition to the excise tax on the sale of real property imposed by Section 3.24.010 there is hereby imposed an excise tax on each sale of real property located within the corporate limits of the town at the rate of one quarter of one percent (0.25%) of the selling price to be collected by the County as prescribed in RCW 82.46.060. Proceeds from this additional tax shall be deposited in a separate account in the municipal capital improvements fund and expended as authorized by law under RCW 82.46.035.

3.24.030 Taxable events.

Taxes imposed herein shall be collected from persons who are taxable by the state under chapter 82.45 RCW and chapter 458-61 WAC upon the occurrence of any taxable event within the corporate limits of the town.

3.24.040 Consistency with state tax.

The taxes imposed herein shall comply with all applicable rules, regulations, laws and court decisions regarding real estate excise taxes as imposed by the state under chapter 82.45 RCW and chapter 458-61 WAC. The provisions of those chapters, to the extent they are not inconsistent with this ordinance, shall apply as though fully set forth herein.

3.24.050 Distribution of tax proceeds and limiting the use thereof.

- A. The county treasurer shall place one percent of the proceeds of the taxes imposed herein in the county current expense fund to defray costs of collection.
- B. The remaining proceeds from town taxes imposed herein shall be distributed to the town monthly and those taxes imposed under Section 1 shall be placed by the town treasurer in a

municipal capital improvements fund. This capital improvements fund shall be used by the town as authorized by RCW 82.46.010, as now or hereafter amended.

- C. This section shall not limit the existing authority of this town to impose special assessments on property specially benefited thereby in the manner prescribed by law.

3.24.060 Seller's obligation. The taxes imposed herein are the obligation of the seller and may be enforced through the action of debt against the seller or in the manner prescribed for the foreclosure of mortgages.

3.24.070 Lien Provisions. The taxes imposed herein and any interest or penalties thereon are the specific lien upon each piece of real property sold from the time of sale or until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages. Resort to one course of enforcement is not an election not to pursue the other.

3.24.080 Notation of payment.

The taxes imposed herein shall be paid to and collected by the treasurer of the county within which is located the real property which was sold. The county treasurer shall act as agent for the town within the county imposing the tax. The county treasurer shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance prior to its recording or to the real estate excise tax affidavit in the case of used mobile home sales. A receipt issued by the county treasurer for the payment of the tax imposed herein shall be evidence of the satisfaction of the lien imposed in Section 3.24.040 and may be recorded in the manner prescribed for recording satisfactions or mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the county auditor for filing or recording until the tax is paid and the stamp affixed thereto; in case the tax is not due on the transfer, the instrument shall not be accepted until suitable notation of this fact is made on the instrument by the county treasurer.

3.24.090 Date payable.

The tax imposed hereunder shall become due and payable immediately at the time of sale and, if not so paid within thirty days thereafter, shall bear interest at the rate of one percent per month from the time of sale until the date of payment.

3.24.100 Excessive and improper payments.

If, upon written application by a taxpayer to the county treasurer for a refund, it appears a tax has been paid in excess of the amount actually due or upon a sale or other transfer declared to be exempt, such excess amount or improper payment shall be refunded by the county treasurer to the taxpayer: PROVIDED, That no refund shall be made unless the state has first authorized the refund of an excessive amount or an improper amount paid, unless such improper amount was paid as a result of a miscalculation. Any refund made shall be withheld from the next monthly distribution to the town.