

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ESTABLISHING) Ordinance No. 96-642-A
A TEMPORARY DECREASE IN THE)
RATE OF THE METRO EXCISE TAX) Introduced by
) Councilor Rod Monroe

THE METRO COUNCIL ORDAINS AS FOLLOWS:

Section 1.

Metro Code Section 7.01.020 is amended to read as follows:

7.01.020 Tax Imposed

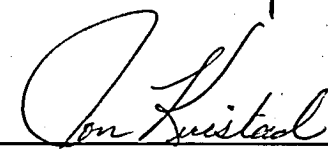
(a) For the privilege of the use of the facilities, equipment, systems, functions, services, or improvements owned, operated, franchised, or provided by the district, each user shall pay a tax in the amount of established in subsection 7.01.020(b), but not to exceed of 7.5 percent of the payment charged by the operator or the district for such use unless a lower rate has been established as provided in subsection 7.01.020(b). The tax constitutes a debt owed by the user to the district which is extinguished only by payment of the tax directly to the district or by the operator to the district. The user shall pay the tax to the district or to an operator at the time payment for the use is made. The operator shall enter the tax on his/her records when payment is collected if the operator keeps his/her records on the cash basis of accounting and when earned if the operator keeps his/her records on the accrual basis of accounting. If installment payments are paid to an operator, a proportionate share of the tax shall be paid by the user to the operator with each installment.

(b) The council may for any annual period commencing no sooner than July 1 of any year and ending on June 30 of the following year establish a tax rate lower than the rate of tax provided for in subsection 7.01.020(a) by so providing in ~~the annual budget~~ an ordinance adopted by the district. If the council so establishes a lower rate of tax, the executive officer shall immediately notify all operators of the new tax rate. Upon the end of the fiscal year the rate of tax shall revert to the maximum rate established in subsection 7.01.020(a) unchanged for the next year unless further action to establish a lower rate is adopted by the council as provided for herein.

Section 2.

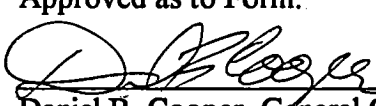
The rate of tax for the Metro Excise Tax for the period from September 1, 1996, to June 30, 1997, shall be 7.25 percent. On and after July 1, 1997, the rate of tax shall be 7.5 percent.

ADOPTED by the Metro Council this 9th day of May, 1996.



Jon Kvistad, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

jep
r-0/1272