

**ORDINANCE NO. 26-1726**

**AN ORDINANCE OF THE CITY OF LYNDEN, WASHINGTON  
IMPOSING AN ADMISSIONS TAX AND ADDING A NEW SECTION 3.29  
TO THE LYNDEN MUNICIPAL CODE CHAPTER 3**

**WHEREAS**, the City of Lynden (City) authorized ORD-26-1725 for the creation of Lynden Municipal Code (LMC) Section 3.29 for Admissions Tax on January 20<sup>th</sup>, 2026; and

**WHEREAS**, after additional consideration, the City would like to postpone the implementation of the tax to allow additional time for communication and preparation for taxpayers; and

**WHEREAS**, per RCW 35.21.280, cities may levy a tax on admission charges up to one cent on twenty cents, the funds collected may be used for any lawful government purpose;

**WHEREAS**, the City desires to implement an admissions tax to support government services; and

**WHEREAS**, the City is adding a new Chapter to the Lynden Municipal Code with an effective date of September 1, 2026;

**WHEREAS**, the foregoing recitals are material findings and declarations of the City Council;

**NOW, THEREFORE, BE IT ORDAINED BY** the City Council of the City of Lynden as follows:

Section A ORD-26-1725 is hereby repealed in its entirety.

Section B: There is hereby added to Chapter 3 of the Lynden Municipal Code a new Section 3.29 to read as follows:

**Chapter 3.29 ADMISSION TAX**

**3.29.010 DEFINITIONS**

The following definitions shall apply to the operation of this chapter:

*“Admission charge”*, in addition to its usual and ordinary meaning, includes:

1. A charge made for season tickets or subscriptions;
2. A cover charge or charge made for the use of seats or tables reserved or otherwise, and other similar accommodations;
3. A charge made for admission to any theater, cabaret, tavern, dance hall, private club, auditorium, observation tower, stadium, athletic pavilion or field, baseball or athletic park, golf course, or any similar place. The separate charges made for amusement rides, such as merry-go-rounds, Ferris wheels, roller coasters, and other similar rides are specifically excluded from the definition if the rides are restricted to those persons who have already paid an admission charge which is taxed under this chapter;
4. A charge made for automobile parking where the amount of the charge is determined according to the number of passengers in the automobile;
5. A sum of money referred to as a "donation" which must be paid before entrance is allowed; and
6. The amount of an increase in the price of refreshments, service, or merchandise in a place if no fixed admission charge or cover charge is imposed, but the price charged for refreshments, service, or merchandise is higher during the time entertainment or dancing is provided than at other times.

*“Director”* means the finance director, or their designee, of the city of Lynden.

*“Person”* means any individual, receiver, assignee, firm, partnership, joint venture, corporation, company, joint stock association, society or any group of individuals acting as a unit whether mutual, cooperative or fraternal.

*“Place”* includes, but is not limited to, theaters, dance halls, amphitheaters, auditoriums, stadiums, athletic pavilions and fields, baseball and athletic parks, circuses, side shows, swimming pools, outdoor amusement parks, and such attractions as merry-go-rounds, Ferris wheels, roller coasters, and observation towers within the city limits of the city of Lynden.

*“Subscription”* means, in addition to its usual and ordinary meaning, annual membership dues or fees in an organization whose principal purpose is to present theatrical or musical performance for its members.

*“Successor”* means any person who shall directly or indirectly purchase or succeed to a business in any manner whatsoever; any person obligated to fulfill the terms of a contract shall be deemed a successor to any contractor defaulting in the performance of any contract as to which such person or persons is surety or guarantor

### **3.29.020 TAX LEVIED**

There is levied and imposed upon every person who pays an admission charge of more than \$0.10 to any place a tax in an amount equal to \$0.01 for each \$0.20 or fraction thereof of the admission charge paid. Tax under this section includes a levy taxed on persons who are admitted free of charge or at reduce rates to any place for which other persons pay a charge or regular higher charge for the same privileges or accommodations. The tax to be remitted is based on the regular full charge for admission and not the free or reduced rate.

### **3.29.030 EXEMPTIONS**

The tax levied by this chapter shall not apply to the following:

- A. An activity of any elementary or secondary school; or
- B. Any activity of any corporation, trust, society, order, institution, organization, or association exclusively engaged in or devoted to any religious, charitable, scientific, literary, educational, public or other like work, no part of the net earnings of which inures to the benefit of any private stockholders or individuals; provided, however, that this exemption shall not apply in the case of admissions to:
  - 1. Any athletic game or exhibition;
  - 2. Any carnival, rodeo, or circus in which any professional performer or operator participates for compensation;
  - 3. Any motion picture exhibition or showing; or
  - 4. Any stage show, musical, comedy performance or other entertainment in which any performer or operator participates for compensation, if the anticipated ticket sales exceed \$2,500.00 per event. For purposes of this section, the calculation of anticipated ticket sales shall be made on a single performance basis, even though there may be multiple performances provided.
- C. An organization which will result in an annual remittance of \$250 or less, or a total admission sales at full price of less than \$5,000.

### **3.29.040 BUSINESS LICENSE REQUIRED**

Prior to conducting any activity for which an admission is charged, a business license or other license required by LMC Chapter 5.02 shall be acquired by the taxpayer. Nothing in this chapter exempts a person otherwise regulated or taxed under this title.

### **3.29.050 COLLECTION AND REMITTANCE OF TAX**

- A. *Collection and remittance.* Any person, including any municipal or quasi-municipal corporation, who receives any payment for any admission charge on which a tax is levied under this chapter shall collect the amount of the tax from the person making the admission payment and shall remit the same to the director as provided in this section. The tax required to be collected under this chapter shall be deemed to be held in trust by the person required to collect the same until remitted to the director as herein provided.
- B. *Liability for tax not collected.* Any person required to collect the tax imposed under this chapter who fails to collect the tax, or who collects the tax but fails to make the required remittance to the director as prescribed by this chapter, shall be liable to the city for the amount of the tax, and shall, unless remittance is made as herein required, be guilty of a violation of this chapter, whether such failure is the result of the person's actions or the result of acts or conditions beyond the person's control.
- C. *Remittance to the director.* The tax imposed under this chapter shall be collected at the time the admission charge is paid by the person seeking admission to any place and shall be reported and remitted by the person receiving the tax to the director in quarterly installments and remittances thereof on or before the fifteenth of the month next succeeding the end of the quarterly period in which the tax is collected or approved.
- D. *Remittance may be by check.* Payment or remittance of the tax collected may be made by check, unless payment or remittance is otherwise required by the director, but payment by check shall not relieve the person collecting the tax from liability for payment and remittance of the tax unless the check is honored and is in the full and correct amount.
- E. *Return required.* Any person receiving any payment for such admission shall make out a return upon such form and setting forth such information as the director may require, showing the amount of the tax for which he or she is liable for the preceding quarterly period, and shall sign and transmit the same to the director with remittance for the amount; provided, that the director may require verified annual returns from any person receiving admission payments setting forth such additional information as the director may deem necessary to determine correctly the amount of tax collected and payable.
- F. *Penalty for late remittance.* If the return provided for in this section is not made and the tax is not collected and paid by the due date, the director shall proceed in the manner provided in LMC 3.29.080 Delinquent Payments – Penalty.

### **3.29.050 TRANSITORY OR TEMPORARY AMUSEMENTS - RETURNS.**

Whenever any theater, circus, show, exhibition, entertainment or amusement makes an admission charge which is subject to the tax herein levied, and the same is of a temporary or transitory nature, of which the director of finance shall be the judge, the director of finance may require the report and remittance of the admission tax immediately upon the collection of the same, at the conclusion of the performance or exhibition, or at the conclusion of the series of performances or exhibitions or at such other times as the director of finance shall determine; and failure to comply with any requirement of the director of finance as to report and remittance of the tax as required shall be a violation of this chapter.

### **3.29.060 RECORDS TO BE KEPT**

It shall be the duty of every person liable for any tax imposed by this chapter to keep and preserve for a period of two years, plus the current year's, such suitable records as may be necessary to determine the amount of any tax for which the person may be liable under the provisions of this chapter.

### **3.29.065 EXAMINATION OF BOOKS**

The books and accounts of any person collecting a tax levied in this chapter shall, as to admission charges and tax collections, be at all reasonable times subject to examination and audit by the director.

### **3.29.070 REMITTANCE UPON SALE OR DISPOSAL OF BUSINESS.**

Whenever any person required to pay a tax under this chapter quits business or otherwise disposes of their business, any tax payable under this chapter shall become immediately due and payable and such person shall immediately make a return and pay the tax due, and, if such tax is not paid by the person within ten days from the date of such sale, exchange, or disposal, the purchaser or successor shall likewise thereupon become liable for the payment of the full amount of such tax.

### **3.29.080 DELINQUENT PAYMENTS - PENALTY**

If any person fails or refuses to make any return required by this chapter, the director shall proceed in such manner as he or she may deem best to obtain facts and information on which to base an estimate of any tax due. As soon as the director procures such facts and information, he or she shall proceed to determine and assess against such person the tax and penalties provided by this chapter and shall notify the taxpayer by mail of the total amount of such tax, penalties and interest, and the total amount shall be paid within ten days from the date of such notice.

If any person fails or refuses to pay the tax required to be paid by this chapter within the time and in the amount specified by this chapter, the director shall add to any tax due interest at the rate of ten percent for every month or fraction thereof that the tax is unpaid.

### **3.29.085 COLLECTION BY CIVIL ACTION**

Any tax due and unpaid and delinquent under this chapter, and all penalties therein, may be collected by civil action, which remedies shall be in addition to any and all other existing remedies.

### **3.29.090 VIOLATIONS - PENALTIES**

Each violation of or failure to comply with the provisions of this chapter constitutes a separate offense and subjects the offender to a fine not to exceed \$500.00.

Section C: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The Council hereby declares that it would have passed this code and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact than any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional, and if, for any reason, this ordinance should be declared invalid or unconstitutional, then the original ordinance or ordinances shall be in full force and effect.

Section D: This ordinance shall take effect and be in force **September 1, 2026** after its passage by the Council and after its approval by the Mayor, if approved, otherwise, as provided by law and five (5) days after the date of its publication.

PASSED BY THE CITY COUNCIL BY AN AFFIRMATIVE VOTE, \_\_\_\_ IN FAVOR \_\_\_\_ AGAINST AND SIGNED BY THE MAYOR THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2026.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY