

**CITY OF MERCER ISLAND
ORDINANCE NO. 20C-05**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND AMENDING BUSINESS
AND OCCUPATION TAX PAYMENT DUE DATES IN MICC 4.10.110(A) DURING
A DECLARED EMERGENCY, PROVIDING FOR SEVERABILITY AND
ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, on February 29, 2020, the Governor of the State of Washington proclaimed that a State of Emergency exists in all counties in the State of Washington due to the outbreak of novel coronavirus (COVID-19); and

WHEREAS, on March 23, 2020 The Governor of the State of Washington issued the “Stay Home, Stay Safe” Proclamation, requiring all non-essential businesses to close and residents of the state of Washington to stay at home and strictly limit physical contact with people outside their household; and

WHEREAS, throughout the month of March 2020, Public Health Seattle-King County has issued a series of recommendations and orders to reduce the spread of COVID-19 in our community; and

WHEREAS, on March 5, 2020, the City of Mercer Island Issued a Proclamation of Emergency enabling the City to act quickly to respond to COVID-19 outbreak; and since that time, the City has implemented measures within City operations, services and facilities to align with the Governor’s order and the recommendations of the Washington State Department of Health and Public Health Seattle-King County; and

WHEREAS, decreased economic activity, layoffs and substantially reduced work hours related to the COVID-19 outbreak will lead to widespread economic hardship that will result in lost income and wages and an inability to pay basic expenses, including taxes, utilities and rent; and

WHEREAS, the City imposes business and occupations (B&O) tax on entities engaged in business within the city pursuant to chapter 4.10 of the Mercer Island City Code; and

WHEREAS, taking action to extend the B&O tax payment deadline for quarterly filers will help distressed businesses manage the use of scarce cash resources during the COVID-19 emergency;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1: **MICC 4.10.110(A) Amended.** MICC 4.10.110(A) is amended to read as follows:

Businesses that earn gross receipts of at least \$250,000 a quarter will report and pay the city B&O tax quarterly. All other businesses will report and pay annually the tax imposed by this chapter. Until December 31, 2020, tax payments are due on or before the last day of the next month following the end of the assigned reporting period covered by the return, provided that during a declared emergency covered under chapter 38.52 RCW, the director may administratively

extend the last day on which tax payments are due. Effective January 1, 2021, tax payments are due on or before the time as provided in RCW 82.32.045 (1), (2), and (3).

Section 2: **Severability.** If any section, sentence, clause or phrase of this ordinance or any municipal code section amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this ordinance or the amended code section.

Section 3: **Publication and Effective Date.** A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall take effect and be in full force five days after the date of publication.

PASSED by the City Council of the City of Mercer Island, Washington at its special meeting on April 7, 2020 and signed in authentication of its passage.

CITY OF MERCER ISLAND

Benson Wong, Mayor

Approved as to Form:

ATTEST:

Bio Park, Interim City Attorney

Deborah A. Estrada, City Clerk

Date of Publication: _____