



## City Council

### Ordinance Increasing Sales Tax by One Tenth of One Percent

**Agenda Date:** 12/11/2012  
**Agenda Item Number:** 4.N  
**File Number:** 12-0777

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**Type:** ordinance **Version:** 1 **Status:** Passed

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**Agenda Item:**

Ordinance Increasing Sales Tax by One Tenth of One Percent

**Issue:**

Move to approve on first reading and forward to second reading an Ordinance increasing the City of Olympia sales tax by 1/10 of 1%

**Committee Recommendation:**

The Finance Committee recommended placing the increase on the ballot for November 6<sup>th</sup>.

**City Manager's Recommendation:**

Move to adopt the ordinance increasing the sales tax.

**Staff Contact:**

Jane Kirkemo, Administrative Services Director, 360.753.8499

**Presenter(s):**

Jane Kirkemo, Administrative Services Director, 360.753.8499

**Background and Analysis:**

Olympia residents voted to increase the sales tax by 1/10 of 1% for Public Safety purposes on the November 6, 2012 general election, on a vote of 13,103 (yes) to 9,971 (no). The Council must now adopt a city ordinance increasing the tax.

**Neighborhood/Community Interests (if known):**

The tax initiative was supported by neighborhood associations.

**Options:**

The Council could choose to delay the effective date of this tax increase, however, any delay would reduce the amount of revenue received in 2013. The increase may only take effect at the start of each quarter.

**Financial Impact:**

On an annual basis, the increase in sales tax is estimated to generate \$1.2 million.