

ORDINANCE NO. 613

AN ORDINANCE TO INCREASE THE TRANSIT TAX RATE FROM 0.3% TO 0.33% AND TO AMEND FILING REQUIREMENTS FOR SELF-EMPLOYMENT.

WHEREAS, Ordinance 360 dated November 20, 1989 established the payroll tax rate to be 0.3 percent (three tenths of one percent); and

WHEREAS, the City finds it necessary to increase the rate to provide sufficient resources for ongoing programs; and

WHEREAS, the Budget Committee approved an increase in the payroll tax rate to 0.33% (thirty-three hundredths of one percent); and

WHEREAS, current city code Section 7.418, requires self-employed individuals to pay the tax on net earnings on a quarterly basis, however, most self-employed individuals compute their net earnings at the end of their taxable year and filing quarterly is a hardship for them.

NOW, THEREFORE, THE CITY OF WILSONVILLE ORDAINS AS FOLLOWS:

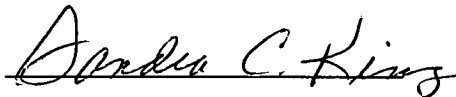
The following sections of city code 7.400 **Public Transportation Payroll & Self Employment Tax** are revised.

Section 7.404. Payroll and Self Employment Tax Imposed. (1) To carry out the purposes set forth herein, an excise tax is hereby imposed and levied on every person, firm, corporation or association doing business within the boundaries of the local transit area, which employs one or more employees, or contracts orally or in writing with any commission merchant or commission employee. For the same purpose, a tax is imposed on each individual's net earnings from self employment. The amount of the tax shall be 0.33 percent of the total payroll expense of each taxpayer or of the individual's net earnings from self employment as the case may be. The rate shall be in full force and effective from and after October 1, 2006 and shall apply to payroll expenses and net earnings from self employment incurred after that date. This tax is imposed for the provision of public transportation services within the local transit area in order to provide for the business community to carry a share of the costs of local government in return for the benefits and opportunities available because of City services.

Section 7.418. Date Due, Returns, Payments, Prepayments and Extension. (2)(b)

Self Employment – self employed individuals may choose to file and remit the applicable tax annually or quarterly. In the absence of an election a quarterly filing shall be assumed. If filing quarterly the tax due for each calendar quarter shall be paid on or before April 15, June 15, September 15, and January 15. If filing annually the tax due for each taxpayer year shall be paid on or before the 15th of the fourth month following the end of the tax year.

SUBMITTED to the Wilsonville City Council and read for the first time at a regular meeting thereof on the 24th day of July, 2006, and scheduled for a second reading at a regular meeting thereof on the 7th day of August, 2006, commencing at the hour of 7 p.m. at the Wilsonville Community Center.

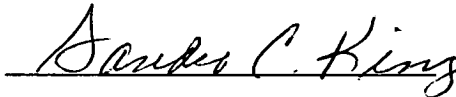


Sandra C. King, MMC, City Recorder

ENACTED by the City Council on the 8th day of August 2006 by the following votes:

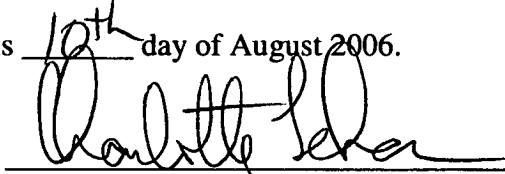
Yes: 4

No: -0-



Sandra C. King, MMC, City Recorder

DATED and signed by the Mayor this 10th day of August 2006.



CHARLOTTE LEHAN, Mayor

Summary of votes:

Mayor Lehan	Yes
Councilor Kirk	Yes
Councilor Holt	Yes
Councilor Knapp	Yes
Councilor Ripple	Excused