

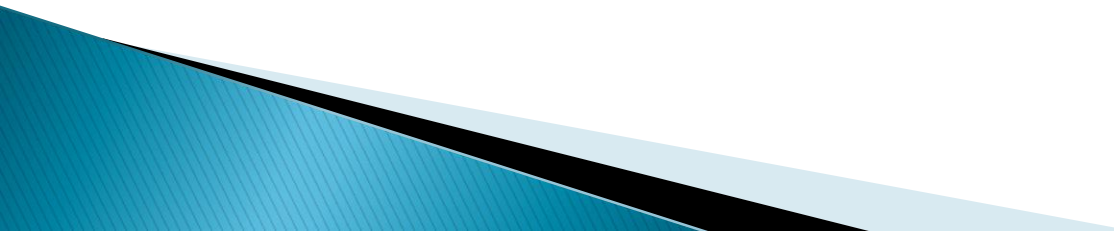


Burien
WASHINGTON

ANNEXATION SALES TAX CREDIT

FINANCE DEPARTMENT
February 22, 2010

WHAT IS THE PURPOSE OF THE ORDINANCE?

- ▶ Levy .1% Sales and Use Tax within City of Burien to help offset those costs which exceed revenues for providing services in the annexation area.
 - ▶ State provides a credit from their portion of the sales tax, so there is no increase to the residents.
 - ▶ Tax revenue must be used for services within the annexation area.
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CALCULATION

- ▶ Based on the State of Washington's Fiscal Year
 - July 1, 2010 to June 30, 2011
- ▶ Levy Limitations
 - .1% of levy for City if the population is between 10,000 and 20,000
- ▶ Or, up to the Revenue shortfall, *which ever is less*
- ▶ Proposed Annexation Budget and projected revenues and costs of providing services not calculated in same manner

HOW MUCH DO WE GET?

- ▶ \$500,000
 - Population between 10K and 20K
- ▶ \$1,000,000
 - Population is over 20K
- ▶ Population is established by Special Annexation Census to be conducted in March and April.

WRAP UP

- ▶ Questions?