

CHIEF FINANCIAL OFFICER ADMINISTRATIVE TAX RULING 2017-01

Pursuant to the authority granted to the City of Spokane's Chief Financial Officer in SMC 8.03.120, the following administrative tax ruling is hereby issued.

The City's application of the nonprofit organization exemption under SMC 8.03.020 (A) (5) (a) shall be applied to Gonzaga University, and other similarly situated nonprofit entities, as follows:

- (1) The Bulldog Club amount, as it is presently described and as it may be renamed in the future, associated with some season tickets in the character of a charitable donations to Gonzaga University, will likewise be characterized by the City of Spokane as a donation and not an admissions charge and, therefore, shall not be subject to admissions tax nor considered part of the "admission charge" as defined in the SMC.
- (2) The full SMC § 08.03.020(A)(5)(a) per nonprofit entity event exemption amount (presently set at \$20,000) shall be authorized for each Gonzaga University intercollegiate athletic game or contest as well as each University theater performance, drama performance, comedy performance, music performance, speaker presentation, or other type of event.
- (3) In collecting and remitting admissions taxes, Gonzaga University may utilize its own internal accounting, ticketing and auditing procedures for single events to account for the SMC § 08.03.020(A) (5) (a) per nonprofit entity event exemption amount, so long as the admissions tax paid to the City for the single event is equal to the admission tax set forth in the SMC to include the exemption set forth in SMC § 08.03.020(A) (5) (a). Such calculations are subject to standard administrative auditing procedures as may be applied by the City of Spokane.
- (4) The no-cost tickets made available by Gonzaga University to its students and employees do not involve an "amount paid by others" as used in SMC § 08.03.010 and, therefore, are not subject to the admissions tax.

This administrative tax ruling shall be placed on file in the Chief Financial Officer's Office for and posted on the City's website for a two week period for public comment.

A handwritten signature in black ink, appearing to read "Gavin Gealey", is written over a horizontal line. The signature is stylized and cursive.

Gavin Gealey, Chief Financial Officer

3-21-17

Date