

# **Administrative Order 22-02 - Setting the Prepared Food Taxable Amount for EVOO Cannon Beach (EVOO) a Culinary Experience Restaurant**



# CITY OF CANNON BEACH

## Administrative Order 22-02

### Setting the Prepared Food Taxable Amount for EVOO Cannon Beach (EVOO) a culinary experience restaurant

Pursuant to the Cannon Beach Municipal Code (CBMC) 3.30.010(H), EVOO is a restaurant subject to the tax imposed by CBMC 3.30.020. CBMC 3.30.020 imposes a 5% tax on the amount paid for the purchase of food. EVOO charges a composite amount for food, alcohol and the culinary experience. This order determines the current taxable portion of the culinary experience, the annual audit and the tax implementation date for EVOO.

The City Council orders as follows:

#### Taxable Portion Determination

The City has worked with the owners of EVOO to determine the most appropriate taxable amount. EVOO charges \$225 per person for the culinary experience, of which it attributes \$93.75 to the food.

The City audited records provided by EVOO and determined the amount attributed to the food portion of the composite amount was reasonable under the circumstances.

#### Annual Audit Requirement

The City will make such an audit each year prior to July 1 to review the prior year and to determine the taxable amount for the upcoming year. EVOO is responsible for initiating the audit with the City in prior to March 1 of each year. If EVOO fails to initiate the audit, the taxable amount will default to the total cost of the meal minus the wholesale cost of alcohol until such time as the audit is complete.

#### Tax Implementation Date

The tax will be imposed on all funds received after the effective date of the tax, or July 1, 2022.

#### General

Unless specifically addressed herein, all other portion of the CBMC apply to EVOO. This order is specific to EVOO and is non-precedent setting.

  
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Mayor Sam Steidel

5/3/22  
\_\_\_\_\_  
Date

