

HOUSE BILL REPORT

HB 2727

As Amended by the Senate

Title: An act relating to aircraft, watercraft, and travel trailer and camper excise taxes.

Brief Description: Modifying provisions for the taxation of aircraft, watercraft, and travel trailer and camper excise taxes.

Sponsor(s): Representatives Fraser and Brumsickle; by request of Department of Revenue.

Brief History:

Reported by House Committee on:
Revenue, February 4, 1992, DP;
Passed House, February 17, 1992, 97-0;
Amended by Senate.

**HOUSE COMMITTEE ON
REVENUE**

Majority Report: *Do pass.* Signed by 13 members:
Representatives Wang, Chair; Fraser, Vice Chair; Brumsickle,
Ranking Minority Member; Wynne, Assistant Ranking Minority
Member; Appelwick; Belcher; Carlson; Day; J. Kohl; Leonard;
Morris; Silver; and Van Luven.

Minority Report: *Do not pass.* Signed by 1 member:
Representative Morton.

Staff: Robin Appleford (786-7093).

Background: The motor vehicle excise tax (MVET) is levied annually on the value of motor vehicles licensed by state residents. Washington residents who license motor vehicles outside the state must pay MVET to the Department of Licensing (DOL) at the time the vehicle is brought into the state. Residents who avoid MVET by registering vehicles in another state or country are liable for unpaid taxes. If liability for unpaid MVET is discovered, the Department of Revenue (DOR) may collect the back taxes along with the standard penalties and interest DOR assesses against delinquent taxpayers.

The state levies annual excise taxes on aircraft, watercraft, and travel trailers/campers. The aircraft

excise tax is administered by the Department of Transportation, and the watercraft and travel trailer/camper excise taxes are administered by DOL. Neither DOR nor these agencies have specific authority to collect back taxes from residents who do not properly license aircraft, watercraft, travel trailers, and campers in the state.

Summary of Bill: DOR is authorized to collect unpaid aircraft, watercraft, travel trailer, and camper excise taxes along with the standard penalties and interest DOR assesses on delinquent taxpayers.

EFFECT OF SENATE AMENDMENT(S): The amendment corrects reference problems in the original bill.

Fiscal Note: Available.

Effective Date: July 1, 1992.

Testimony For: DOR currently has the authority to collect back taxes on motor vehicles. The bill extends this authority to the collection of back taxes on watercraft, aircraft, campers, and travel trailers, and would lead to a general fund revenue gain.

Testimony Against: None.

Witnesses: Dennis Okamoto, Department of Revenue; and John Woodring, Northwest Marine Trade Association (both in favor).

VOTE ON FINAL PASSAGE:

Yeas 97; Excused 1

Excused: Representative Hochstatter