

FINAL BILL REPORT

SSB 5301

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SYNOPSIS AS ENACTED

Brief Description: Authorizing certain cities and counties bordering the Pacific Ocean to levy a special excise tax to provide funding for public facilities.

SPONSORS: Senate Committee on Governmental Operations (originally sponsored by Senators Snyder and Conner).

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

HOUSE COMMITTEE ON LOCAL GOVERNMENT

HOUSE COMMITTEE ON REVENUE

BACKGROUND:

There is a general authorization for cities and counties to levy a special excise tax of up to 2 percent on the sale of hotel and motel space to help finance convention center and stadium facilities. If the county or city passes an ordinance to levy such a tax, the state sales tax on transient lodging is reduced from 6.5 percent to 4.5 percent, and the proceeds distributed to the respective county or city.

Some special exceptions have been authorized for a hotel/motel tax in Pierce County, Ocean Shores and Bellevue, which do not entail an offset against the state sales tax. It has been suggested that a similar levy could contribute to tourism and economic development efforts in tourist attraction areas in Pacific County and Long Beach.

SUMMARY:

The legislative body of a city bordering on the Pacific Ocean with a population of no less than 1,000 may levy a special excise tax of up to 3 percent on sales of transient housing. The county in which such a city is located is also authorized to levy a similar tax. The special authorization for a similar tax for Ocean Shores is repealed.

VOTES ON FINAL PASSAGE:

Senate	35	9	
House	77	20	(House amended)
Senate			(Senate refused to concur)
House	96	0	(House receded)

EFFECTIVE: July 28, 1991