
SENATE BILL 6408

State of Washington

52nd Legislature

1992 Regular Session

By Senators Matson, Vognild, Hayner, Sutherland, Madsen, McCaslin and Roach

Read first time 01/29/92. Referred to Committee on Governmental Operations.

1 AN ACT Relating to the use of locally imposed real estate excise
2 tax proceeds for financing capital projects; and amending RCW 82.46.010
3 and 82.46.035.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 82.46.010 and 1990 1st ex.s. c 17 s 36 are each
6 amended to read as follows:

7 (1) Funds collected from the imposition of the tax authorized by
8 subsection (2) of this section shall only be used to supplement and
9 augment existing sources of revenue for capital improvements.

10 (2) The governing body of any county or any city may impose an
11 excise tax on each sale of real property in the unincorporated areas of
12 the county for the county tax and in the corporate limits of the city
13 for the city tax at a rate not exceeding one-quarter of one percent of
14 the selling price. The revenues from this tax shall be used by the

1 respective jurisdictions for local capital improvements, including
2 those listed in RCW 35.43.040.

3 After July 1, 1990, revenues generated from the tax imposed under
4 this subsection in counties and cities that are required or choose to
5 plan under RCW 36.70A.040 shall be used (~~((primarily))~~) solely for
6 financing capital projects specified in a capital facilities plan
7 element of a comprehensive plan adopted pursuant to chapter 36.70A RCW
8 and housing relocation assistance under RCW 59.18.440 and 59.18.450.
9 However, revenues (a) pledged by such counties and cities to debt
10 retirement prior to July 1, 1990, may continue to be used for that
11 purpose until (~~((all-outstanding))~~) the original debt for which the
12 revenues were pledged is retired, or (b) committed prior to July 1,
13 1990, by such counties or cities to a capital project may continue to
14 be used for that purpose until the project is completed.

15 (~~((+2))~~) (3) For counties and cities that are required or choose to
16 plan under RCW 36.70A.040 and that, prior to July 1, 1991, have not
17 imposed the tax authorized by subsection (2) of this section, such tax
18 may be imposed only after said city or county has enacted a
19 comprehensive plan and development regulations pursuant to chapter
20 36.70A RCW.

21 (4) In lieu of imposing the tax authorized in RCW 82.14.030(2), the
22 governing body of any county or any city may impose an additional
23 excise tax on each sale of real property in the unincorporated areas of
24 the county for the county tax and in the corporate limits of the city
25 for the city tax at a rate not exceeding one-half of one percent of the
26 selling price.

27 (~~((+3))~~) (5) Taxes imposed under this section shall be collected
28 from persons who are taxable by the state under chapter 82.45 RCW upon
29 the occurrence of any taxable event within the unincorporated areas of

1 the county or within the corporate limits of the city, as the case may
2 be.

3 ~~((4))~~ (6) Taxes imposed under this section shall comply with all
4 applicable rules, regulations, laws, and court decisions regarding real
5 estate excise taxes as imposed by the state under chapter 82.45 RCW.

6 ~~((5))~~ (7) Authority for the imposition of the excise taxes
7 authorized in this section shall be suspended by the governor for
8 noncompliance with chapter 36.70A RCW or this section.

9 (8) As used in this section, "city" means any city or town and
10 "capital project" means those public works projects defined in RCW
11 43.155.020.

12 **Sec. 2.** RCW 82.46.035 and 1990 1st ex.s. c 17 s 38 are each
13 amended to read as follows:

14 (1) Funds collected from the imposition of the tax authorized by
15 subsection (2) of this section shall only be used to supplement and
16 augment existing sources of revenue for capital improvements.

17 (2) The governing body of any county or any city that plans under
18 RCW 36.70A.040(1) may impose an additional excise tax on each sale of
19 real property in the unincorporated areas of the county for the county
20 tax and in the corporate limits of the city for the city tax at a rate
21 not exceeding one-quarter of one percent of the selling price. Any
22 county choosing to plan under RCW 36.70A.040(2) and any city within
23 such a county may only adopt an ordinance imposing the excise tax
24 authorized by this section if the ordinance is first authorized by a
25 proposition approved by a majority of the voters of the taxing district
26 voting on the proposition at a general election held within the
27 district or at a special election within the taxing district called by
28 the district for the purpose of submitting such proposition to the
29 voters.

1 ~~((2))~~ (3) The additional excise tax authorized by subsection (2)
2 of this section may be imposed only after adoption of a comprehensive
3 plan and development regulations pursuant to chapter 36.70A RCW.
4 Revenues generated from the tax imposed under subsection (1) of this
5 section shall be used by such counties and cities solely for financing
6 capital projects specified in a capital facilities plan element of
7 ~~((a))~~ the comprehensive plan.

8 ~~((3))~~ (4) Revenues generated by the tax imposed by this section
9 shall be deposited in a separate account.

10 ~~((4))~~ (5) Authority for the imposition of the excise taxes
11 authorized in this section shall be suspended by the governor for
12 noncompliance with chapter 36.70A RCW or this section.

13 (6) As used in this section, "city" means any city or town and
14 "capital project" means those public works projects defined in RCW
15 43.155.020.