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SENATE JOINT RESOLUTION 8232

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State of Washington                      52nd Legislature                      1992 Regular Session

By Senators Moore and Pelz

Read first time 02/07/92. Referred to Committee on Ways & Means.

1            BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE  
2 STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

3            THAT, At the next general election to be held in this state there  
4 shall be submitted to the qualified voters of the state for their  
5 approval and ratification, or rejection, an amendment to Article VII  
6 section 2 of the Constitution of the state of Washington; and an  
7 amendment to Article VII of the Constitution of the state of Washington  
8 by adding a new section to read as follows:

9            Article VII, section . . . . . (1) Income is not property within the  
10 meaning of this article, and an income tax is not a tax on property.  
11 The legislature may enact an income tax, subject to the conditions in  
12 this section, with a single rate for persons other than corporations  
13 and a separate single rate for corporations.

1 (2) The rate of an income tax imposed on persons other than  
2 corporations shall never exceed seven percent, and the rate of an  
3 income tax imposed on corporations shall never exceed twelve percent.

4 (3) The rate of the income tax imposed on persons other than  
5 corporations in the act initially adopting an income tax shall be five  
6 and one-fourth percent. The rate of the income tax imposed on  
7 corporations in the act initially adopting an income tax shall be nine  
8 percent. The maximum rate of state and local general sales and use  
9 taxes in the act initially adopting an income tax shall be five and  
10 eighty-five one hundredths percent.

11 (4) During any period in which an income tax is in effect:

12 (a) The combined rate of state and local general sales and use  
13 taxes shall not exceed seven and eight-tenths percent.

14 (b) The following ratios as established in the act initially  
15 adopting an income tax shall not be altered:

16 (i) The ratio between the rate of the income tax imposed on  
17 individuals and the rate of the income tax imposed on corporations; and

18 (ii) The ratio between the rate of the income tax imposed on  
19 individuals and the maximum rate of state general sales and use taxes.

20 (5) The state shall not levy ad valorem property taxes under Title  
21 84 RCW for collection in 1994, nor thereafter.

22 (6) The legislature may by law coordinate the administration and  
23 collection of state income taxes with the income tax laws, regulations,  
24 and procedures of the United States. The legislature may adopt by  
25 reference any federal statutes relating to federal income taxes,  
26 including future amendments thereto.

27 (7) As used in this section, "income tax" means a tax imposed on or  
28 measured by income as defined by the legislature.

1 Article VII, section 2. Except as hereinafter provided and  
2 notwithstanding any other provision of this Constitution, the aggregate  
3 of all tax levies upon real and personal property by the state and all  
4 taxing districts now existing or hereafter created, shall not in any  
5 year exceed one per centum of the true and fair value of such property  
6 in money for taxes collected before 1994 and seventy-five one-  
7 hundredths of one percent for taxes collected in 1994 and thereafter:  
8 Provided, however, That nothing herein shall prevent levies at the  
9 rates now provided by law by or for any port or public utility  
10 district. The term "taxing district" for the purposes of this section  
11 shall mean any political subdivision, municipal corporation, district,  
12 or other governmental agency authorized by law to levy, or have levied  
13 for it, ad valorem taxes on property, other than a port or public  
14 utility district. Such aggregate limitation or any specific limitation  
15 imposed by law in conformity therewith may be exceeded only

16 (a) By any taxing district when specifically authorized so to do by  
17 a majority of at least three-fifths of the electors thereof voting on  
18 the proposition to levy such additional tax submitted not more than  
19 twelve months prior to the date on which the proposed levy is to be  
20 made and not oftener than twice in such twelve month period, either at  
21 a special election or at the regular election of such taxing district,  
22 at which election the number of persons voting "yes" on the proposition  
23 shall constitute three-fifths of a number equal to forty per centum of  
24 the total votes cast in such taxing district at the last preceding  
25 general election when the number of electors voting on the proposition  
26 does not exceed forty per centum of the total votes cast in such taxing  
27 district in the last preceding general election; or by a majority of at  
28 least three-fifths of the electors thereof voting on the proposition to  
29 levy when the number of electors voting on the proposition exceeds  
30 forty per centum of the total votes cast in such taxing district in the

1 last preceding general election: Provided, That notwithstanding any  
2 other provision of this Constitution, any proposition pursuant to this  
3 subsection to levy additional tax for the support of the common schools  
4 may provide such support for a two year period and any proposition to  
5 levy an additional tax to support the construction, modernization, or  
6 remodelling of school facilities may provide such support for a period  
7 not exceeding six years;

8 (b) By any taxing district otherwise authorized by law to issue  
9 general obligation bonds for capital purposes, for the sole purpose of  
10 making the required payments of principal and interest on general  
11 obligation bonds issued solely for capital purposes, other than the  
12 replacement of equipment, when authorized so to do by majority of at  
13 least three-fifths of the electors thereof voting on the proposition to  
14 issue such bonds and to pay the principal and interest thereon by an  
15 annual tax levy in excess of the limitation herein provided during the  
16 term of such bonds, submitted not oftener than twice in any calendar  
17 year, at an election held in the manner provided by law for bond  
18 elections in such taxing district, at which election the total number  
19 of persons voting on the proposition shall constitute not less than  
20 forty per centum of the total number of votes cast in such taxing  
21 district at the last preceding general election: Provided, That any  
22 such taxing district shall have the right by vote of its governing body  
23 to refund any general obligation bonds of said district issued for  
24 capital purposes only, and to provide for the interest thereon and  
25 amortization thereof by annual levies in excess of the tax limitation  
26 provided for herein, And provided further, That the provisions of this  
27 section shall also be subject to the limitations contained in Article  
28 VIII, Section 6, of this Constitution;

29 (c) By the state or any taxing district for the purpose of paying  
30 the principal or interest on general obligation bonds outstanding on

1 December 6, 1934; or for the purpose of preventing the impairment of  
2 the obligation of a contract when ordered so to do by a court of last  
3 resort.

4 BE IT FURTHER RESOLVED, That the foregoing amendment shall be  
5 construed as a single amendment within the meaning of Article XXIII,  
6 section 1 of the state Constitution.

7 The legislature finds that the changes contained in the foregoing  
8 amendment constitute a single integrated plan for the purpose of  
9 taxation. If the foregoing amendment is held to be separate  
10 amendments, this joint resolution shall be void in its entirety and  
11 shall be of no further force and effect.

12 BE IT FURTHER RESOLVED, That the secretary of state shall cause  
13 notice of the foregoing constitutional amendment to be published at  
14 least four times during the four weeks next preceding the election in  
15 every legal newspaper in the state.