

HOUSE BILL REPORT

HB 1315

As Passed House
March 10, 1993

Title: An act relating to cities and counties under five thousand in population.

Brief Description: Specifying the uses for the tax on the sale of real property.

Sponsors: Representatives H. Myers and Springer.

Brief History:

Reported by House Committee on:
Local Government, February 9, 1993, DP;
Passed House, March 10, 1993, 96-1.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 12 members:
Representatives H. Myers, Chair; Bray, Vice Chair;
Edmondson, Ranking Minority Member; Reams, Assistant Ranking
Minority Member; Dunshee; R. Fisher; Horn; Rayburn; Romero;
Springer; Van Luven; and Zellinsky.

Staff: Steve Lundin (786-7127).

Background: Counties, cities, and towns are authorized to impose an excise tax on each sale of real property at a rate of up to .25 percent with the proceeds earmarked for different purposes depending on the population of the county, city, or town.

A county, city, or town with a population of less than 5,000, may only expend proceeds from this excise tax for "local capital improvements, including those listed in RCW 35.43.040" that cities and towns may construct with special assessments imposed in a local improvement district. Larger counties and cities that plan under all the requirements of the Growth Management Act may only expend proceeds from this excise tax for a list of capital projects.

Summary of Bill: A county, city, or town with a population of less than 5,000 may expend receipts from its excise tax on sales of real property for any capital purpose identified in a capital improvements plan.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This gives small cities and counties flexibility.

Testimony Against: None.

Witnesses: (pro) Dave Williams, Association of Washington Cities.