

SENATE BILL REPORT

HB 1315

AS REPORTED BY COMMITTEE ON GOVERNMENT OPERATIONS, MARCH 24, 1993

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

**SPONSORS:** Representatives H. Myers and Springer

**HOUSE COMMITTEE ON LOCAL GOVERNMENT**

**SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

**Majority Report:** Do pass as amended.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Oke, and Winsley.

**Staff:** Eugene Green (786-7405)

**Hearing Dates:** March 23, 1993; March 24, 1993

**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:**

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.

**SUMMARY OF PROPOSED SENATE AMENDMENT:**

The striking amendment clarifies that counties, cities, and towns under 5,000 population planning under the Growth Management Act and any county, city or town not planning under the Growth Management Act may use the revenues from the 1982 real estate excise tax for the acquisition of real or personal property associated with a local capital improvement.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:**

The bill clarifies intent.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Stan Finkelstein, Assn. of Cities; Dick Ducharme,  
Utility Contractor; Glen Hudson, Realtors