

FINAL BILL REPORT

SSB 5876

C 488 L 93

SYNOPSIS AS ENACTED

Brief Description: Extending incentives for ride sharing and vanpools.

SPONSORS: Senate Committee on Transportation (originally sponsored by Senators Prentice, Skratek, Sellar, M. Rasmussen and Winsley)

SENATE COMMITTEE ON TRANSPORTATION

HOUSE COMMITTEE ON TRANSPORTATION

BACKGROUND:

The Commute Trip Reduction Law requires that major employers in the state's eight largest counties reduce the number of their employees traveling to work by single-occupant vehicle. One effective strategy for meeting the goals of the Commute Trip Reduction Law is to encourage commuters to participate in vanpool and ride-sharing programs.

SUMMARY:

Passenger motor vehicles (vans and cars) that are used primarily as ride-sharing vehicles by at least five persons, including the driver, and have a gross vehicle weight of not more than 10,000 pounds are exempt for 36 months from sales tax and use tax. Additionally, ride-sharing vehicles with five or six passengers, including the driver, operating within the state's eight largest counties are required to participate in a transit agency-sponsored or commute trip reduction law-required program. If the vehicle is used for ride-sharing less than 36 months, the registered owner must notify the Department of Revenue and pay the appropriate sales tax or use tax due.

Passenger motor vehicles (vans and cars) are exempt from motor vehicle excise tax when used primarily as ride-sharing vehicles and carry at least five persons, including the driver, or at least four persons, including the driver, when at least two passengers are confined to wheelchairs. Ride-sharing vehicles must weigh no more than 10,000 pounds and, if operated within the state's eight largest counties, they must participate in a transit agency-sponsored or commute trip reduction law-required program. The registered owner of a vehicle that is no longer primarily used for ride-sharing must notify the Department of Licensing and pay the motor vehicle excise tax due. A person who knowingly gives false information to the department when applying for ride-sharing plates may be guilty of a gross misdemeanor.

The Department of Licensing must adopt by rule a process for annually recertifying vehicles registered as ride-sharing vehicles to discourage abuse of tax exemptions. The department, in consultation with the Department of Transportation, must submit a report to the transportation committees assessing its ability to restrict the ride-sharing tax exemptions to bona fide ride-sharing vehicles.

The sunset on sales tax, use tax, and motor vehicle excise tax exemptions for ride-sharing vehicles is repealed.

VOTES ON FINAL PASSAGE:

Senate	45	3	
House	95	0	(House amended)
Senate	41	2	(Senate concurred)

EFFECTIVE: July 25, 1993