

# HOUSE BILL REPORT

## HB 1225

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### As Reported By House Committee On:

Transportation

**Title:** An act relating to licenses.

**Brief Description:** Regulating vehicle and fuel licensing.

**Sponsors:** Representatives K. Schmidt, R. Fisher, Johnson and Scott; by request of Department of Licensing.

### **Brief History:**

#### **Committee Activity:**

Transportation: 2/1/95, 2/7/95 [DP].

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## HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 27 members: Representatives K. Schmidt, Chairman; Benton, Vice Chairman; Mitchell, Vice Chairman; Skinner, Vice Chairman; R. Fisher, Ranking Minority Member; Hatfield, Assistant Ranking Minority Member; Backlund; Blanton; Brown; Buck; Cairnes; Chandler; Chopp; Elliot; Hankins; Horn; Johnson; Koster; McMahan; Ogden; Patterson; Quall; Robertson; Romero; D. Schmidt; Scott and Tokuda.

**Staff:** Jeff Doyle (786-7322).

### **Background:**

(1) Applications made to the Department of Licensing for a certificate of ownership must be made on a proscribed form furnished by the department. With the advancement of computer technology, electronic application is now possible, but not currently authorized under state law.

(2) In 1993, changes were made to various motor vehicle taxation statutes that exempted certain ride-sharing vehicles. An exemption was given to commuter ride-sharing vehicles carrying not less than four persons, including the driver when at least two of those persons are confined to wheelchairs when riding. This exemption was inadvertently omitted from RCW 82.08.0287 (retail sales tax).

(3) The state is currently administering a motor vehicle fuel importer tax. This tax is applied to any motor carrier importing motor vehicle fuel into this state in fuel supply tanks of any commercial motor vehicle for use in propelling that commercial vehicle.

An alternative and simpler method of reporting and paying the motor vehicle fuel tax is provided by RCW 82.41, the multistate motor vehicle fuel tax agreement. The latter tax reporting method is preferred by the industry, and at last count, only three companies currently report and pay fuel taxes under the motor vehicle fuel importer tax statute.

**Summary of Bill:**

(1) Applications for certificates of ownership of motor vehicles may be made on any form approved by the Department of Licensing. This allows financial institutions to electronically file application for certificates.

(2) The exemption created for ride-sharing vehicles carrying four or more passengers, including the driver when at least two of those persons are confined to wheelchairs, is extended to the retail sales tax, harmonizing the law with other statutory ride-share tax exemptions.

(3) The motor vehicle fuel importer tax is repealed in lieu of taxes collected under RCW 82.41, multistate motor fuel tax agreements.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

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

**Testimony For:** The Department of Licensing supports the bill as it is primarily a housekeeping measure.

**Testimony Against:** None.

**Testified:** Nancy Kelly, Department of Licensing.