

2 **ESHB 2417** - S AMD to TRAN COMM AMD (S5471.1) - 978  
3 By Senator Haugen

4 PULLED 3/11/98

5 On page 3, after line 15, insert the following:

6 "Sec. 3. RCW 82.36.010 and 1995 c 287 s 1 and 1995 c 274 s 20 are  
7 each reenacted and amended to read as follows:

8 For the purposes of this chapter:

9 (1) "Motor vehicle" means every vehicle that is in itself a self-  
10 propelled unit, equipped with solid rubber, hollow-cushion rubber, or  
11 pneumatic rubber tires and capable of being moved or operated upon a  
12 public highway, except motor vehicles used as motive power for or in  
13 conjunction with farm implements and machines or implements of  
14 husbandry;

15 (2) "Motor vehicle fuel" means gasoline or any other inflammable  
16 gas or liquid, by whatsoever name such gasoline, gas, or liquid may be  
17 known or sold, the chief use of which is as fuel for the propulsion of  
18 motor vehicles or motorboats;

19 (3) "Distributor" means every person who refines, manufactures,  
20 produces, or compounds motor vehicle fuel and sells, distributes, or in  
21 any manner uses it in this state; also every person engaged in business  
22 as a bona fide wholesale merchant dealing in motor vehicle fuel who  
23 either acquires it within the state from any person refining it within  
24 or importing it into the state, on which the tax has not been paid, or  
25 imports it into this state and sells, distributes, or in any manner  
26 uses it in this state; also every person who acquires motor vehicle  
27 fuel, on which the tax has not been paid, and exports it by commercial  
28 motor vehicle to a location outside the state. For the purposes of  
29 liability for a county fuel tax, "distributor" has that meaning defined  
30 in the county ordinance imposing the tax. For the purposes of  
31 liability for a city or town fuel tax, "distributor" has that meaning  
32 defined in the city or town ordinance imposing the tax. For the  
33 purposes of this subsection, "commercial motor vehicle" means any motor  
34 vehicle used, designed, or maintained for transportation of persons or  
35 property and: (a) Having two axles and a gross vehicle weight or

1 registered gross vehicle weight exceeding twenty-six thousand pounds;  
2 or (b) having three or more axles regardless of weight; or (c) is used  
3 in combination, when the weight of such combination exceeds twenty-six  
4 thousand pounds gross vehicle weight. "Commercial motor vehicle" does  
5 not include recreational vehicles;

6 (4) "Service station" means a place operated for the purpose of  
7 delivering motor vehicle fuel into the fuel tanks of motor vehicles;

8 (5) "Department" means the department of licensing;

9 (6) "Director" means the director of licensing;

10 (7) "Dealer" means any person engaged in the retail sale of liquid  
11 motor vehicle fuels;

12 (8) "Person" means every natural person, firm, partnership,  
13 association, or private or public corporation;

14 (9) "Highway" means every way or place open to the use of the  
15 public, as a matter of right, for purposes of vehicular travel;

16 (10) "Broker" means every person, other than a distributor, engaged  
17 in business as a broker, jobber, or wholesale merchant dealing in motor  
18 vehicle fuel or other petroleum products used or usable in propelling  
19 motor vehicles, or in other petroleum products which may be used in  
20 blending, compounding, or manufacturing of motor vehicle fuel;

21 (11) "Producer" means every person, other than a distributor,  
22 engaged in the business of producing motor vehicle fuel or other  
23 petroleum products used in, or which may be used in, the blending,  
24 compounding, or manufacturing of motor vehicle fuel;

25 (12) "Distribution" means all withdrawals of motor vehicle fuel for  
26 delivery to others, to retail service stations, or to unlicensed bulk  
27 storage plants;

28 (13) "Bulk storage plant" means, pursuant to the licensing  
29 provisions of RCW 82.36.070, any plant, under the control of the  
30 distributor, used for the storage of motor vehicle fuel to which no  
31 retail outlets are directly connected by pipe lines;

32 (14) "Marine fuel dealer" means any person engaged in the retail  
33 sale of liquid motor vehicle fuel whose place of business and or sale  
34 outlet is located upon a navigable waterway;

35 (15) "Alcohol" means alcohol that is produced from renewable  
36 resources;

37 (16) "Electronic funds transfer" means any transfer of funds, other  
38 than a transaction originated by check, draft, or similar paper  
39 instrument, which is initiated through an electronic terminal,

1 telephonic instrument, or computer or magnetic tape so as to order,  
2 instruct, or authorize a financial institution to debit or credit an  
3 account;

4 (17) "Evasion" or "evade" means to diminish or avoid the  
5 computation, assessment, or payment of authorized taxes or fees  
6 through:

7 (a) A knowing: False statement, misrepresentation of fact, or  
8 other act of deception; or

9 (b) An intentional: Omission, failure to file a return or report,  
10 or other act of deception.

11 **Sec. 4.** RCW 82.80.010 and 1991 c 339 s 12 are each amended to read  
12 as follows:

13 (1) Subject to the conditions of this section, any county, city, or  
14 town may levy, by approval of its legislative body and a majority of  
15 the registered voters of the county, city, or town voting on the  
16 proposition at a general or special election, additional excise taxes  
17 equal to ten percent of the state-wide motor vehicle fuel tax rate  
18 under RCW 82.36.025 on each gallon of motor vehicle fuel as defined in  
19 RCW 82.36.010(2) and on each gallon of special fuel as defined in RCW  
20 82.38.020(5) sold within the boundaries of the county, city, or town.  
21 Vehicles paying an annual license fee under RCW 82.38.075 are exempt  
22 from the county, city, or town fuel excise tax. An election held under  
23 this section must be held not more than twelve months before the date  
24 on which the proposed tax is to be levied. The ballot setting forth  
25 the proposition shall state the tax rate that is proposed. The  
26 county's authority to levy additional excise taxes under this section  
27 includes the incorporated and unincorporated areas of the county. The  
28 additional excise taxes are subject to the same exceptions and rights  
29 of refund as applicable to other motor vehicle fuel and special fuel  
30 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed  
31 tax shall not be levied less than one month from the date the election  
32 results are certified by the county election officer. The commencement  
33 date for the levy of any tax under this section shall be the first day  
34 of January, April, July, or October.

35 (2) Every person subject to the tax shall pay, in addition to any  
36 other taxes provided by law, an additional excise tax to the director  
37 of licensing at the rate levied by a county, city, or town exercising  
38 its authority under this section.

1 (3) The state treasurer shall distribute monthly to the levying  
2 city or town or county and cities contained (~~(therein)~~) in the county  
3 the proceeds of the additional excise taxes collected under this  
4 section, after the deductions for payments and expenditures as provided  
5 in RCW 46.68.090 (1) and (2) and under the conditions and limitations  
6 provided in RCW 82.80.080.

7 (4) The proceeds of the additional excise taxes levied under this  
8 section shall be used strictly for transportation purposes in  
9 accordance with RCW 82.80.070.

10 (5) The department of licensing shall administer and collect the  
11 county, city, and town fuel taxes. The department shall deduct a  
12 percentage amount, as provided by contract, for administrative,  
13 collection, refund, and audit expenses incurred. The remaining  
14 proceeds shall be remitted to the custody of the state treasurer for  
15 monthly distribution under RCW 82.80.080.

16 (6) A city or town motor vehicle fuel tax authorized by this  
17 section may only be proposed and approved to provide funds for a  
18 specific transportation project. The ballot measure proposing the  
19 creation of a city or town motor vehicle fuel tax under this section  
20 must contain, at a minimum:

21 (a) A description of the transportation project proposed for  
22 funding, properly identified by mileposts or other designations that  
23 specify the project parameters;

24 (b) The proposed number of months or years necessary to fund the  
25 city or town's share of the project cost; and

26 (c) The tax rate of the proposed sales and use tax.

27 (7) When the specific project for which the city or town motor  
28 vehicle fuel tax was authorized is completed, the city or town  
29 legislative authority must certify the completion. Upon certification  
30 of completion of the project the sales and use tax authorized to pay  
31 for the project shall cease."

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4 On page 3, line 20, after "82.80.020" strike "and" and insert ","

5 On page 3, line 21, after "82.80.080" insert 82.36.010 and 82.80.010"

6 Renumber the sections consecutively and correct any internal references accordingly.

**--- END ---**

**EFFECT:** Grants cities the authority to impose local option motor vehicle fuel tax.