

2 **ESHB 2417** - S AMD to TRAN COMM AMD (S5471.1) - 979
3 By Senator Haugen

4 PULLED 3/11/98

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

6 "Sec. 3. RCW 82.36.440 and 1991 c 173 s 4 are each amended to read
7 as follows:

8 The tax levied in this chapter is in lieu of any excise, privilege,
9 or occupational tax upon the business of manufacturing, selling, or
10 distributing motor vehicle fuel, and no city, town, county, township or
11 other subdivision or municipal corporation of the state shall levy or
12 collect any excise tax upon or measured by the sale, receipt,
13 distribution, or use of motor vehicle fuel, except as provided in RCW
14 82.80.010 and 82.47.020, and except that a city or town may impose its
15 license fee or tax upon the business of making retail sales of motor
16 vehicle fuel within the limits of the city or town at a rate of up to
17 one percent of the gross receipts from retail sales of motor vehicle
18 fuel within the limits of the city or town. The imposition or increase
19 in rate of any such city or town license fee or tax shall be subject to
20 the referendum procedure in RCW 35.21.706.

21 **Sec. 4.** RCW 82.38.280 and 1991 c 173 s 5 are each amended to read
22 as follows:

23 The tax levied in this chapter is in lieu of any excise, privilege,
24 or occupational tax upon the business of manufacturing, selling, or
25 distributing special fuel, and no city, town, county, township or other
26 subdivision or municipal corporation of the state shall levy or collect
27 any excise tax upon or measured by the sale, receipt, distribution, or
28 use of special fuel, except as provided in RCW 82.80.010 and 82.47.020,
29 and except that a city or town may impose its license fee or tax upon
30 the business of making retail sales of special fuel within the limits
31 of the city or town at a rate of up to one percent of the gross
32 receipts from retail sales of special fuel within the limits of the
33 city or town. The imposition or increase in rate of any such city or
34 town license fee or tax shall be subject to the referendum procedure in
35 RCW 35.21.706.

1 **Sec. 5.** RCW 35.21.706 and 1983 c 99 s 6 are each amended to read
2 as follows:

3 (1) Every city and town first imposing a business and occupation
4 tax or increasing the rate of the tax after April 22, 1983, shall
5 provide for a referendum procedure to apply to an ordinance imposing
6 the tax or increasing the rate of the tax. This referendum procedure
7 shall specify that a referendum petition may be filed within seven days
8 of passage of the ordinance with a filing officer, as identified in the
9 ordinance. Within ten days, the filing officer shall confer with the
10 petitioner concerning form and style of the petition, issue the
11 petition an identification number, and secure an accurate, concise, and
12 positive ballot title from the designated local official. The
13 petitioner shall have thirty days in which to secure the signatures of
14 not less than fifteen percent of the registered voters of the city, as
15 of the last municipal general election, upon petition forms which
16 contain the ballot title and the full text of the measure to be
17 referred. The filing officer shall verify the sufficiency of the
18 signatures on the petition and, if sufficient valid signatures are
19 properly submitted, shall certify the referendum measure to the next
20 election ballot within the city or at a special election ballot as
21 provided pursuant to RCW 35.17.260(2).

22 (2) This referendum procedure shall be exclusive in all instances
23 for any city ordinance imposing a business and occupation tax or
24 increasing the rate of the tax and shall supersede the procedures
25 provided under chapters 35.17 and 35A.11 RCW and all other statutory or
26 charter provisions for initiative or referendum which might otherwise
27 apply.

28 (3) (a) A levy of a tax by a city or town under RCW 82.36.440 or
29 RCW 82.38.280 may only be proposed and approved to provide funds for a
30 specific transportation project. The ballot measure proposing the such
31 a tax must contain, at a minimum:

32 (i) A description of the transportation project proposed for
33 funding, properly identified by mileposts or other designations that
34 specify the project parameters;

35 (ii) The proposed number of months or years necessary to fund the
36 city or town's share of the project cost; and

37 (iii) The tax rate of the proposed business and occupations tax.

38 (b) When the specific project for which business and occupations
39 tax was authorized is completed, the city or town legislative authority

1 must certify the completion. Upon certification of completion of the
2 project the business and occupations tax authorized to pay for the
3 project shall cease.

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

7 On page 3, line 21, after "82.36.440, 82.38.280, and 35.21.706"

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

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EFFECT: Authorizes cities and towns to assess and business and occupations tax on distributors of gasoline and diesel fuel to pay for specific local transportation projects.