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HOUSE BILL 1675

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State of Washington

55th Legislature

1997 Regular Session

By Representatives Skinner, Scott, O'Brien, Zellinsky, Fisher, Radcliff, Thompson, Cooper, Costa, Dunshee, Ogden, Chandler, K. Schmidt, Constantine, Lisk, Anderson and Clements

Read first time 02/05/97. Referred to Committee on Transportation Policy & Budget.

1 AN ACT Relating to sales and use taxes for public transportation  
2 systems operated by cities; and amending RCW 82.14.045.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 82.14.045 and 1991 c 363 s 158 are each amended to  
5 read as follows:

6 (1) The legislative body of any city pursuant to RCW 35.92.060, of  
7 any county which has created an unincorporated transportation benefit  
8 area pursuant to RCW 36.57.100 and 36.57.110, of any public  
9 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,  
10 of any county transportation authority established pursuant to chapter  
11 36.57 RCW, and of any metropolitan municipal corporation within a  
12 county with a population of one million or more pursuant to chapter  
13 35.58 RCW, may, by resolution or ordinance for the sole purpose of  
14 providing funds for the operation, maintenance, or capital needs of  
15 public transportation systems and in lieu of the excise taxes  
16 authorized by RCW 35.95.040, submit an authorizing proposition to the  
17 voters or include such authorization in a proposition to perform the  
18 function of public transportation and if approved by a majority of  
19 persons voting thereon, fix and impose a sales and use tax in

1 accordance with the terms of this chapter: PROVIDED, That no such  
2 legislative body shall impose such a sales and use tax without  
3 submitting such an authorizing proposition to the voters and obtaining  
4 the approval of a majority of persons voting thereon: PROVIDED  
5 FURTHER, That where such a proposition is submitted by a county on  
6 behalf of an unincorporated transportation benefit area, it shall be  
7 voted upon by the voters residing within the boundaries of such  
8 unincorporated transportation benefit area and, if approved, the sales  
9 and use tax shall be imposed only within such area. Notwithstanding  
10 any provisions of this section to the contrary, any county in which a  
11 county public transportation plan has been adopted pursuant to RCW  
12 36.57.070 and the voters of such county have authorized the imposition  
13 of a sales and use tax pursuant to the provisions of section 10,  
14 chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975, shall be  
15 authorized to fix and impose a sales and use tax as provided in this  
16 section at not to exceed the rate so authorized without additional  
17 approval of the voters of such county as otherwise required by this  
18 section.

19 The tax authorized pursuant to this section shall be in addition to  
20 the tax authorized by RCW 82.14.030 and shall be collected from those  
21 persons who are taxable by the state pursuant to chapters 82.08 and  
22 82.12 RCW upon the occurrence of any taxable event within such city,  
23 public transportation benefit area, county, or metropolitan municipal  
24 corporation as the case may be. The rate of such tax shall be one-  
25 tenth, two-tenths, three-tenths, four-tenths, five-tenths, or six-  
26 tenths of one percent of the selling price (in the case of a sales tax)  
27 or value of the article used (in the case of a use tax). The rate of  
28 such tax shall not exceed the rate authorized by the voters unless such  
29 increase shall be similarly approved.

30 (2)(a) In the event a metropolitan municipal corporation shall  
31 impose a sales and use tax pursuant to this chapter no city, county  
32 which has created an unincorporated transportation benefit area, public  
33 transportation benefit area authority, or county transportation  
34 authority wholly within such metropolitan municipal corporation shall  
35 be empowered to levy and/or collect taxes pursuant to RCW 35.58.273,  
36 35.95.040, and/or 82.14.045, but nothing herein shall prevent such city  
37 or county from imposing sales and use taxes pursuant to any other  
38 authorization.

1 (b) In the event a county transportation authority shall impose a  
2 sales and use tax pursuant to this section, no city, county which has  
3 created an unincorporated transportation benefit area, public  
4 transportation benefit area, or metropolitan municipal corporation,  
5 located within the territory of the authority, shall be empowered to  
6 levy or collect taxes pursuant to RCW 35.58.273, 35.95.040, or  
7 82.14.045.

8 (c) In the event a public transportation benefit area shall impose  
9 a sales and use tax pursuant to this section, no city, county which has  
10 created an unincorporated transportation benefit area, or metropolitan  
11 municipal corporation, located wholly or partly within the territory of  
12 the public transportation benefit area, shall be empowered to levy or  
13 collect taxes pursuant to RCW 35.58.273, 35.95.040, or 82.14.045.

14 (3) Any local sales and use tax revenue collected pursuant to this  
15 section by any city or by any county for transportation purposes  
16 pursuant to RCW 36.57.100 and 36.57.110 shall not be counted as locally  
17 generated tax revenues for the purposes of apportionment and  
18 distribution, in the manner prescribed by chapter 82.44 RCW, of the  
19 proceeds of the motor vehicle excise tax authorized pursuant to RCW  
20 35.58.273, except that local sales and use tax revenue collected under  
21 this section by a city with a population greater than sixty thousand  
22 that as of January 1, 1997, owns and operates a municipal public  
23 transportation system shall be counted as locally generated tax  
24 revenues for the purposes of apportionment and distribution, in the  
25 manner prescribed by chapter 82.44 RCW, of the proceeds of the motor  
26 vehicle excise tax authorized under RCW 35.58.273.

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