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HOUSE BILL 2453

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Carrell, Pennington, Boldt, Lambert, Chandler, Zellinsky, Mulliken, Mielke, Sherstad and Smith

Read first time . Referred to Committee on .

1 AN ACT Relating to motor vehicle excise tax; amending RCW  
2 82.44.020, 82.44.041, 82.44.110, 82.44.150, 35.58.273, 81.100.060, and  
3 82.08.020; reenacting and amending RCW 81.104.160; and creating a new  
4 section.

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

6 **Sec. 1.** RCW 82.44.020 and 1993 sp.s. c 23 s 61 are each amended to  
7 read as follows:

8 (1) An excise tax is imposed for the privilege of using in the  
9 state any motor vehicle, except those operated under reciprocal  
10 agreements, the provisions of RCW 46.16.160 as now or hereafter  
11 amended, or dealer's licenses. The annual amount of such excise tax  
12 shall be (~~two~~) one and seven hundred ninety-two one-thousandths  
13 percent of the value of such vehicle.

14 (2) An additional excise tax is imposed, in addition to any other  
15 tax imposed by this section, for the privilege of using in the state  
16 any such motor vehicle, and the annual amount of such additional excise  
17 shall be (~~two-tenths of one~~) two hundred eight one-thousandths  
18 percent of the value of such vehicle.

1 (3) Effective with October 1992 motor vehicle registration  
2 expirations, a clean air excise tax is imposed in addition to any other  
3 tax imposed by this section for the privilege of using in the state any  
4 motor vehicle as defined in RCW 82.44.010, except that farm vehicles as  
5 defined in RCW 46.04.181 shall not be subject to the tax imposed by  
6 this subsection. The annual amount of the additional excise tax shall  
7 be two dollars and twenty-five cents. Effective with July 1994 motor  
8 vehicle registration expirations, the annual amount of additional  
9 excise tax shall be two dollars.

10 (4) An additional excise tax is imposed on truck-type power units  
11 that are used in combination with a trailer to transport loads in  
12 excess of forty thousand pounds combined gross weight. The annual  
13 amount of such additional excise tax shall be fifty-eight one-  
14 hundredths of one percent of the value of the vehicle.

15 The department shall distribute the additional tax collected under  
16 this subsection as follows:

17 (a) For each trailing unit subject to subsection (5) of this  
18 section, an amount equal to the clean air excise tax prescribed in  
19 subsection (3) of this section shall be distributed in the manner  
20 prescribed in RCW 82.44.110(3);

21 (b) Of the remainder of the additional excise tax collected under  
22 this subsection, ten percent shall be distributed in the manner  
23 prescribed in RCW 82.44.110(2) and ninety percent shall be distributed  
24 in the manner prescribed in RCW 82.44.110(1). This tax shall not apply  
25 to power units used exclusively for hauling logs.

26 (5) The excise taxes imposed by subsections (1) through (3) of this  
27 section shall not apply to trailing units which are used in combination  
28 with a power unit subject to the additional excise tax imposed by  
29 subsection (4) of this section. This subsection shall not apply to  
30 trailing units used for hauling logs.

31 (6) In no case shall the total tax be less than two dollars except  
32 for proportionally registered vehicles.

33 (7) Washington residents, as defined in RCW 46.16.028, who license  
34 motor vehicles in another state or foreign country and avoid Washington  
35 motor vehicle excise taxes are liable for such unpaid excise taxes.  
36 The department of revenue may assess and collect the unpaid excise  
37 taxes under chapter 82.32 RCW, including the penalties and interest  
38 provided therein.

1       **Sec. 2.** RCW 82.44.041 and 1990 c 42 s 303 are each amended to read  
2 as follows:

3       (1) For the purpose of determining the tax under this chapter, the  
4 value of a truck-type power or trailing unit shall be the latest  
5 purchase price of the vehicle, excluding applicable federal excise  
6 taxes, state and local sales or use taxes, transportation or shipping  
7 costs, or preparatory or delivery costs, multiplied by the following  
8 percentage based on year of service of the vehicle since last sale.  
9 The latest purchase year shall be considered the first year of service.

10	YEAR OF SERVICE	PERCENTAGE
11	1	100
12	2	90
13	3	83
14	4	75
15	5	67
16	6	59
17	7	52
18	8	44
19	9	36
20	10	28
21	11	21
22	12	13
23	13 or older	10

24       (2) The reissuance of title and registration for a truck-type power  
25 or trailing unit because of the installation of body or special  
26 equipment shall be treated as a sale, and the value of the truck-type  
27 power or trailing unit at that time, as determined by the department  
28 from such information as may be available, shall be considered the  
29 latest purchase price.

30       (3) For the purpose of determining the tax under this chapter, the  
31 value of a motor vehicle other than a truck-type power or trailing unit  
32 shall be the manufacturer's base suggested retail price of the vehicle  
33 when first offered for sale as a new vehicle, excluding any optional  
34 equipment, applicable federal excise taxes, state and local sales or  
35 use taxes, transportation or shipping costs, or preparatory or delivery  
36 costs, multiplied by the applicable percentage listed in this  
37 subsection based on year of service of the vehicle.

1 If the manufacturer's base suggested retail price is unavailable or  
2 otherwise unascertainable at the time of initial registration in this  
3 state, the department shall determine a value equivalent to a  
4 manufacturer's base suggested retail price as follows:

5 (a) The department shall determine a value using any information  
6 that may be available, including any guidebook, report, or compendium  
7 of recognized standing in the automotive industry or the selling price  
8 and year of sale of the vehicle. The department may use an appraisal  
9 by the county assessor. In valuing a vehicle for which the current  
10 value or selling price is not indicative of the value of similar  
11 vehicles of the same year and model, the department shall establish a  
12 value that more closely represents the average value of similar  
13 vehicles of the same year and model.

14 (b) The value determined in (a) of this subsection shall be divided  
15 by the applicable percentage listed in this subsection to establish a  
16 value equivalent to a manufacturer's base suggested retail price. The  
17 applicable percentage shall be based on the year of service of the  
18 vehicle for which the value is determined.

19	YEAR OF SERVICE	PERCENTAGE
20	1	100
21	2	((100)) <u>93</u>
22	3	((91)) <u>85</u>
23	4	((83)) <u>78</u>
24	5	((74)) <u>70</u>
25	6	((65)) <u>63</u>
26	7	((57)) <u>55</u>
27	8	48
28	9	40
29	10	31
30	11	22
31	12	14
32	13 or older	10

33 (4) For purposes of this chapter, value shall exclude value  
34 attributable to modifications of a motor vehicle and equipment that are  
35 designed to facilitate the use or operation of the motor vehicle by a  
36 handicapped person.

1       **Sec. 3.** RCW 82.44.110 and 1997 c 338 s 68 are each amended to read  
2 as follows:

3       The county auditor shall regularly, when remitting license fee  
4 receipts, pay over and account to the director of licensing for the  
5 excise taxes collected under the provisions of this chapter. The  
6 director shall forthwith transmit the excise taxes to the state  
7 treasurer.

8       (1) The state treasurer shall deposit the excise taxes collected  
9 under RCW 82.44.020(1) as follows:

10       (a) ~~((1.60))~~ 1.86 percent into the motor vehicle fund to defray  
11 administrative and other expenses incurred by the department in the  
12 collection of the excise tax.

13       (b) ~~((8.15))~~ 9.46 percent into the Puget Sound capital construction  
14 account in the motor vehicle fund.

15       (c) ~~((4.07))~~ 4.73 percent into the Puget Sound ferry operations  
16 account in the motor vehicle fund.

17       (d) ~~((5.88))~~ 6.83 percent into the general fund to be distributed  
18 under RCW 82.44.155.

19       (e) ~~((4.75))~~ 5.51 percent into the municipal sales and use tax  
20 equalization account in the general fund created in RCW 82.14.210.

21       (f) ~~((1.60))~~ 1.86 percent into the county sales and use tax  
22 equalization account in the general fund created in RCW 82.14.200.

23       (g) ~~((62.6440))~~ 50.82 percent into the general fund ~~((through June~~  
24 ~~30, 1995, and 57.6440 percent into the general fund beginning July 1,~~  
25 ~~1995))~~.

26       (h) ~~((5))~~ 5.80 percent into the transportation fund created in RCW  
27 82.44.180 ~~((beginning July 1, 1995))~~.

28       (i) ~~((5.9686))~~ 6.93 percent into the county criminal justice  
29 assistance account created in RCW 82.14.310.

30       (j) ~~((1.1937))~~ 1.39 percent into the municipal criminal justice  
31 assistance account for distribution under RCW 82.14.320.

32       (k) ~~((1.1937))~~ 1.39 percent into the municipal criminal justice  
33 assistance account for distribution under RCW 82.14.330.

34       (l) ~~((2.95))~~ 3.42 percent into the county public health account  
35 created in RCW 70.05.125.

36       ~~((Notwithstanding (i) through (k) of this subsection, no more than~~  
37 ~~sixty million dollars shall be deposited into the accounts specified in~~  
38 ~~(i) through (k) of this subsection for the period January 1, 1994,~~  
39 ~~through June 30, 1995.))~~ Not more than five percent of the funds

1 deposited to (~~these~~) the accounts specified in (i) through (k) of  
2 this subsection shall be available for appropriations for enhancements  
3 to the state patrol crime laboratory system and the continuing costs  
4 related to these enhancements. Motor vehicle excise tax funds  
5 appropriated for such enhancements shall not supplant existing funds  
6 from the state general fund. For the fiscal year ending June 30, 1998,  
7 and for each fiscal year thereafter, the amounts deposited into the  
8 accounts specified in (i) through (k) of this subsection shall not  
9 increase by more than the amounts deposited into those accounts in the  
10 previous fiscal year increased by the implicit price deflator for the  
11 previous fiscal year. Any revenues in excess of this amount shall be  
12 deposited into the violence reduction and drug enforcement account.

13 (2) The state treasurer shall deposit the excise taxes collected  
14 under RCW 82.44.020(2) into the transportation fund.

15 (3) The state treasurer shall deposit the excise tax imposed by RCW  
16 82.44.020(3) into the air pollution control account created by RCW  
17 70.94.015.

18 **Sec. 4.** RCW 82.44.150 and 1995 2nd sp.s. c 14 s 538 are each  
19 amended to read as follows:

20 (1) The director of licensing shall, on the twenty-fifth day of  
21 February, May, August, and November of each year, advise the state  
22 treasurer of the total amount of motor vehicle excise taxes imposed by  
23 RCW 82.44.020 (1) and (2) remitted to the department during the  
24 preceding calendar quarter ending on the last day of March, June,  
25 September, and December, respectively, except for those payable under  
26 RCW 82.44.030, from motor vehicle owners residing within each  
27 municipality which has levied a tax under RCW 35.58.273, which amount  
28 of excise taxes shall be determined by the director as follows:

29 The total amount of motor vehicle excise taxes remitted to the  
30 department, except those payable under RCW 82.44.020(3) and 82.44.030,  
31 from each county shall be multiplied by a fraction, the numerator of  
32 which is the population of the municipality residing in such county,  
33 and the denominator of which is the total population of the county in  
34 which such municipality or portion thereof is located. The product of  
35 this computation shall be the amount of excise taxes from motor vehicle  
36 owners residing within such municipality or portion thereof. Where the  
37 municipality levying a tax under RCW 35.58.273 is located in more than  
38 one county, the above computation shall be made by county, and the

1 combined products shall provide the total amount of motor vehicle  
2 excise taxes from motor vehicle owners residing in the municipality as  
3 a whole. Population figures required for these computations shall be  
4 supplied to the director by the office of financial management, who  
5 shall adjust the fraction annually.

6 (2) On the first day of the months of January, April, July, and  
7 October of each year, the state treasurer based upon information  
8 provided by the department shall, from motor vehicle excise taxes  
9 deposited in the general fund, under RCW 82.44.110(1)(g), make the  
10 following deposits:

11 (a) To the high capacity transportation account created in RCW  
12 47.78.010, a sum equal to four and five-tenths percent of the special  
13 excise tax levied under RCW 35.58.273 by those municipalities  
14 authorized to levy a special excise tax within each county that has a  
15 population of one hundred seventy-five thousand or more and has an  
16 interstate highway within its borders; except that in a case of a  
17 municipality located in a county that has a population of one hundred  
18 seventy-five thousand or more that does not have an interstate highway  
19 located within its borders, that sum shall be deposited in the  
20 passenger ferry account;

21 (b) To the central Puget Sound public transportation account  
22 created in RCW 82.44.180, for revenues distributed after December 31,  
23 1992, within a county with a population of one million or more and a  
24 county with a population of from two hundred thousand to less than one  
25 million bordering a county with a population of one million or more, a  
26 sum equal to the difference between (i) the special excise tax levied  
27 and collected under RCW 35.58.273 by those municipalities authorized to  
28 levy and collect a special excise tax subject to the requirements of  
29 subsections (3) and (4) of this section and (ii) the special excise tax  
30 that the municipality would otherwise have been eligible to levy and  
31 collect at a tax rate of ((-815)) 0.848 percent and been able to match  
32 with locally generated tax revenues, other than the excise tax imposed  
33 under RCW 35.58.273, budgeted for any public transportation purpose.  
34 Before this deposit, the sum shall be reduced by an amount equal to the  
35 amount distributed under (a) of this subsection for each of the  
36 municipalities within the counties to which this subsection (2)(b)  
37 applies; however, any transfer under this subsection (2)(b) must be  
38 greater than zero;

1 (c) To the public transportation systems account created in RCW  
2 82.44.180, for revenues distributed after December 31, 1992, within  
3 counties not described in (b) of this subsection, a sum equal to the  
4 difference between (i) the special excise tax levied and collected  
5 under RCW 35.58.273 by those municipalities authorized to levy and  
6 collect a special excise tax subject to the requirements of subsections  
7 (3) and (4) of this section and (ii) the special excise tax that the  
8 municipality would otherwise have been eligible to levy and collect at  
9 a tax rate of (~~(.815)~~) 0.848 percent and been able to match with  
10 locally generated tax revenues, other than the excise tax imposed under  
11 RCW 35.58.273, budgeted for any public transportation purpose. Before  
12 this deposit, the sum shall be reduced by an amount equal to the amount  
13 distributed under (a) of this subsection for each of the municipalities  
14 within the counties to which this subsection (2)(c) applies; however,  
15 any transfer under this subsection (2)(c) must be greater than zero;  
16 and

17 (d) To the (~~general fund, for revenues distributed after June 30,~~  
18 ~~1993, and to the~~) transportation fund, (~~for revenues distributed~~  
19 ~~after June 30, 1995,~~) a sum equal to the difference between (i) the  
20 special excise tax levied and collected under RCW 35.58.273 by those  
21 municipalities authorized to levy and collect a special excise tax  
22 subject to the requirements of subsections (3) and (4) of this section  
23 and (ii) the special excise tax that the municipality would otherwise  
24 have been eligible to levy and collect at a tax rate of (~~(.815)~~) 0.848  
25 percent notwithstanding the requirements set forth in subsections (3)  
26 through (6) of this section, reduced by an amount equal to  
27 distributions made under (a), (b), and (c) of this subsection and RCW  
28 82.14.046.

29 (3) On the first day of the months of January, April, July, and  
30 October of each year, the state treasurer, based upon information  
31 provided by the department, shall remit motor vehicle excise tax  
32 revenues imposed and collected under RCW 35.58.273 as follows:

33 (a) The amount required to be remitted by the state treasurer to  
34 the treasurer of any municipality levying the tax shall not exceed in  
35 any calendar year the amount of locally-generated tax revenues,  
36 excluding (i) the excise tax imposed under RCW 35.58.273 for the  
37 purposes of this section, which shall have been budgeted by the  
38 municipality to be collected in such calendar year for any public  
39 transportation purposes including but not limited to operating costs,



1 capital costs, and debt service on general obligation or revenue bonds  
2 issued for these purposes; and (ii) the sales and use tax equalization  
3 distributions provided under RCW 82.14.046; and

4 (b) In no event may the amount remitted in a single calendar  
5 quarter exceed the amount collected on behalf of the municipality under  
6 RCW 35.58.273 during the calendar quarter next preceding the  
7 immediately preceding quarter, excluding the sales and use tax  
8 equalization distributions provided under RCW 82.14.046.

9 (4) At the close of each calendar year accounting period, but not  
10 later than April 1, each municipality that has received motor vehicle  
11 excise taxes under subsection (3) of this section shall transmit to the  
12 director of licensing and the state auditor a written report showing by  
13 source the previous year's budgeted tax revenues for public  
14 transportation purposes as compared to actual collections. Any  
15 municipality that has not submitted the report by April 1 shall cease  
16 to be eligible to receive motor vehicle excise taxes under subsection  
17 (3) of this section until the report is received by the director of  
18 licensing. If a municipality has received more or less money under  
19 subsection (3) of this section for the period covered by the report  
20 than it is entitled to receive by reason of its locally-generated  
21 collected tax revenues, the director of licensing shall, during the  
22 next ensuing quarter that the municipality is eligible to receive motor  
23 vehicle excise tax funds, increase or decrease the amount to be  
24 remitted in an amount equal to the difference between the locally-  
25 generated budgeted tax revenues and the locally-generated collected tax  
26 revenues. In no event may the amount remitted for a calendar year  
27 exceed the amount collected on behalf of the municipality under RCW  
28 35.58.273 during that same calendar year excluding the sales and use  
29 tax equalization distributions provided under RCW 82.14.046. At the  
30 time of the next fiscal audit of each municipality, the state auditor  
31 shall verify the accuracy of the report submitted and notify the  
32 director of licensing of any discrepancies.

33 (5) The motor vehicle excise taxes imposed under RCW 35.58.273 and  
34 required to be remitted under this section and RCW 82.14.046 shall be  
35 remitted without legislative appropriation.

36 (6) Any municipality levying and collecting a tax under RCW  
37 35.58.273 which does not have an operating, public transit system or a  
38 contract for public transportation services in effect within one year  
39 from the initial effective date of the tax shall return to the state

1 treasurer all motor vehicle excise taxes received under subsection (3)  
2 of this section.

3 **Sec. 5.** RCW 35.58.273 and 1992 c 194 s 11 are each amended to read  
4 as follows:

5 (1) (~~Through June 30, 1992, any municipality, as defined in this~~  
6 ~~subsection, is authorized to levy and collect a special excise tax not~~  
7 ~~exceeding .7824 percent and beginning July 1, 1992, .725 percent on the~~  
8 ~~value, as determined under chapter 82.44 RCW, of every motor vehicle~~  
9 ~~owned by a resident of such municipality for the privilege of using~~  
10 ~~such motor vehicle provided that in no event shall the tax be less than~~  
11 ~~one dollar and, subject to RCW 82.44.150 (3) and (4), the amount of~~  
12 ~~such tax shall be credited against the amount of the excise tax levied~~  
13 ~~by the state under RCW 82.44.020(1). As used in this subsection, the~~  
14 ~~term "municipality" means a municipality that is located within (a)~~  
15 ~~each county with a population of two hundred ten thousand or more and~~  
16 ~~(b) each county with a population of from one hundred twenty five~~  
17 ~~thousand to less than two hundred ten thousand except for those~~  
18 ~~counties that do not border a county with a population as described~~  
19 ~~under subsection (a) of this subsection.~~

20 (2) ~~Through June 30, 1992, any other~~) A municipality is authorized  
21 to levy and collect a special excise tax not exceeding (~~.815 percent,~~  
22 ~~and beginning July 1, 1992, .725~~) 0.754 percent on the value, as  
23 determined under chapter 82.44 RCW, of every motor vehicle owned by a  
24 resident of such municipality for the privilege of using such motor  
25 vehicle provided that in no event shall the tax be less than one dollar  
26 and, subject to RCW 82.44.150 (3) and (4), the amount of such tax shall  
27 be credited against the amount of the excise tax levied by the state  
28 under RCW 82.44.020(1). Before utilization of any excise tax moneys  
29 collected under authorization of this section for acquisition of right  
30 of way or construction of a mass transit facility on a separate right  
31 of way the municipality shall adopt rules affording the public an  
32 opportunity for "corridor public hearings" and "design public hearings"  
33 as herein defined, which rule shall provide in detail the procedures  
34 necessary for public participation in the following instances: (a)  
35 Prior to adoption of location and design plans having a substantial  
36 social, economic or environmental effect upon the locality upon which  
37 they are to be constructed or (b) on such mass rapid transit systems  
38 operating on a separate right of way whenever a substantial change is

1 proposed relating to location or design in the adopted plan. In  
2 adopting rules the municipality shall adhere to the provisions of the  
3 Administrative Procedure Act.

4 ~~((+3))~~ (2) A "corridor public hearing" is a public hearing that:  
5 (a) Is held before the municipality is committed to a specific mass  
6 transit route proposal, and before a route location is established; (b)  
7 is held to afford an opportunity for participation by those interested  
8 in the determination of the need for, and the location of, the mass  
9 rapid transit system; (c) provides a public forum that affords a full  
10 opportunity for presenting views on the mass rapid transit system route  
11 location, and the social, economic and environmental effects on that  
12 location and alternate locations: PROVIDED, That such hearing shall  
13 not be deemed to be necessary before adoption of an overall mass rapid  
14 transit system plan by a vote of the electorate of the municipality.

15 ~~((+4))~~ (3) A "design public hearing" is a public hearing that:  
16 (a) Is held after the location is established but before the design is  
17 adopted; and (b) is held to afford an opportunity for participation by  
18 those interested in the determination of major design features of the  
19 mass rapid transit system; and (c) provides a public forum to afford a  
20 full opportunity for presenting views on the mass rapid transit system  
21 design, and the social, economic, environmental effects of that design  
22 and alternate designs.

23 ~~((+5))~~ (4) A municipality imposing a tax under subsection (1) ~~((or~~  
24 ~~+2))~~ of this section may also impose a sales and use tax, in addition  
25 to the tax authorized by RCW 82.14.030, upon retail car rentals within  
26 the municipality that are taxable by the state under chapters 82.08 and  
27 82.12 RCW. The rate of tax shall bear the same ratio to the rate  
28 imposed under RCW 82.08.020(2) as the excise tax rate imposed under  
29 subsection (1) of this section bears to the excise tax rate imposed  
30 under RCW 82.44.020 (1) and (2). The base of the tax shall be the  
31 selling price in the case of a sales tax or the rental value of the  
32 vehicle used in the case of a use tax. The tax imposed under this  
33 section shall be deducted from the amount of tax otherwise due under  
34 RCW 82.08.020(2). The revenue collected under this subsection shall be  
35 distributed in the same manner as special excise taxes under  
36 subsection~~((s))~~ (1) ~~((and +2))~~ of this section.

37 **Sec. 6.** RCW 81.100.060 and 1992 c 194 s 12 are each amended to  
38 read as follows:

1 A county with a population of one million or more and a county with  
2 a population of from two hundred ten thousand to less than one million  
3 that is adjoining a county with a population of one million or more,  
4 having within their boundaries existing or planned high occupancy  
5 vehicle lanes on the state highway system may, with voter approval,  
6 impose a local surcharge of not more than (~~fifteen~~) sixteen and  
7 eighty-nine one-hundredths percent on the state motor vehicle excise  
8 tax paid under RCW 82.44.020(1) on vehicles registered to a person  
9 residing within the county and on the state sales and use taxes paid  
10 under the rate in RCW 82.08.020(2) on retail car rentals within the  
11 county. No surcharge may be imposed on vehicles licensed under RCW  
12 46.16.070 except vehicles with an unladen weight of six thousand pounds  
13 or less, RCW 46.16.079, (~~46.16.080,~~) 46.16.085, or 46.16.090.

14 Counties imposing a tax under this section shall contract, before  
15 the effective date of the resolution or ordinance imposing a surcharge,  
16 administration and collection to the state department of licensing, and  
17 department of revenue, as appropriate, which shall deduct an amount, as  
18 provided by contract, for administration and collection expenses  
19 incurred by the department. All administrative provisions in chapters  
20 82.03, 82.32, and 82.44 RCW shall, insofar as they are applicable to  
21 state motor vehicle excise taxes, be applicable to surcharges imposed  
22 under this section. All administrative provisions in chapters 82.03,  
23 82.08, 82.12, and 82.32 RCW shall, insofar as they are applicable to  
24 state sales and use taxes, be applicable to surcharges imposed under  
25 this section.

26 If the tax authorized in RCW 81.100.030 is also imposed by the  
27 county, the total proceeds from tax sources imposed under this section  
28 and RCW 81.100.030 each year shall not exceed the maximum amount which  
29 could be collected under this section.

30 **Sec. 7.** RCW 81.104.160 and 1992 c 194 s 13 and 1992 c 101 s 27 are  
31 each reenacted and amended to read as follows:

32 (1) Cities that operate transit systems, county transportation  
33 authorities, metropolitan municipal corporations, public transportation  
34 benefit areas, and regional transit authorities may submit an  
35 authorizing proposition to the voters, and if approved, may levy and  
36 collect an excise tax, at a rate approved by the voters, but not  
37 exceeding eighty-three one-hundredths of one percent on the value,  
38 under chapter 82.44 RCW, of every motor vehicle owned by a resident of

1 the taxing district, solely for the purpose of providing high capacity  
2 transportation service. In any county imposing a motor vehicle excise  
3 tax surcharge pursuant to RCW 81.100.060, the maximum tax rate under  
4 this section shall be reduced to a rate equal to eighty-three one-  
5 hundredths of one percent on the value less the equivalent motor  
6 vehicle excise tax rate of the surcharge imposed pursuant to RCW  
7 81.100.060. This rate shall not apply to vehicles licensed under RCW  
8 46.16.070 except vehicles with an unladen weight of six thousand pounds  
9 or less, RCW 46.16.079, (~~(46.16.080,)~~) 46.16.085, or 46.16.090.

10 (2) An agency imposing a tax under subsection (1) of this section  
11 may also impose a sales and use tax solely for the purpose of providing  
12 high capacity transportation service, in addition to the tax authorized  
13 by RCW 82.14.030, upon retail car rentals within the agency's  
14 jurisdiction that are taxable by the state under chapters 82.08 and  
15 82.12 RCW. The rate of tax shall bear the same ratio to the rate  
16 imposed under RCW 82.08.020(2) as the excise tax rate imposed under  
17 subsection (1) of this section bears to the excise tax rate imposed  
18 under RCW 82.44.020 (1) and (2). The base of the tax shall be the  
19 selling price in the case of a sales tax or the rental value of the  
20 vehicle used in the case of a use tax. The revenue collected under  
21 this subsection shall be used in the same manner as excise taxes under  
22 subsection (1) of this section.

23 **Sec. 8.** RCW 82.08.020 and 1992 c 194 s 9 are each amended to read  
24 as follows:

25 (1) There is levied and there shall be collected a tax on each  
26 retail sale in this state equal to six and five-tenths percent of the  
27 selling price.

28 (2) There is levied and there shall be collected an additional tax  
29 on each retail car rental, regardless of whether the vehicle is  
30 licensed in this state, equal to five and (~~(nine-tenths))~~ two-tenths  
31 percent of the selling price. (~~(Ninety-one))~~ Ninety percent of the  
32 revenue collected under this subsection shall be deposited and  
33 distributed in the same manner as motor vehicle excise tax revenue  
34 collected under RCW 82.44.020(1). (~~(Nine))~~ Ten percent of the revenue  
35 collected under this subsection shall be deposited in the  
36 transportation fund and distributed in the same manner as motor vehicle  
37 excise tax revenue collected under RCW 82.44.020(2).

1 (3) The taxes imposed under this chapter shall apply to successive  
2 retail sales of the same property.

3 (4) The rates provided in this section apply to taxes imposed under  
4 chapter 82.12 RCW as provided in RCW 82.12.020.

5 NEW SECTION. **Sec. 9.** This act applies to taxes due under chapter  
6 82.44 RCW after December 31, 1997.

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