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HOUSE BILL 2636

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Fisher, Keiser, Wood and Murray; by request of Governor Locke

Read first time 01/16/98. Referred to Committee on Finance.

1 AN ACT Relating to a personal-use motor vehicle excise tax credit;  
2 amending RCW 82.44.020; adding a new section to chapter 82.44 RCW; and  
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.44 RCW  
6 to read as follows:

7 (1) A tax credit equal to thirty-five dollars shall be deducted  
8 from the amount of taxes owed under RCW 82.44.020 (1) and (2) on a  
9 personal-use motor vehicle. The credit may not exceed the amount of  
10 tax that would otherwise be due under this chapter.

11 (2) The sum of tax credits granted under this section shall be  
12 subtracted on a regular basis from the amount of motor vehicle excise  
13 tax that would otherwise be required to be collected and paid over to  
14 the director of licensing for distribution to the general fund under  
15 RCW 82.44.110(1)(g).

16 (3) For the purposes of this section, "personal-use motor vehicle"  
17 means vehicles registered to private individuals, not owned by a  
18 business, and designated in one of the following use classes: (a)

1 Passenger; (b) truck with a weight not to exceed fourteen thousand  
2 pounds; or (c) motorcycle.

3 **Sec. 2.** RCW 82.44.020 and 1993 sp.s. c 23 s 61 are each amended to  
4 read as follows:

5 (1) An excise tax is imposed for the privilege of using in the  
6 state any motor vehicle, except those operated under reciprocal  
7 agreements, the provisions of RCW 46.16.160 as now or hereafter  
8 amended, or dealer's licenses. The annual amount of such excise tax  
9 shall be two percent of the value of such vehicle.

10 (2) An additional excise tax is imposed, in addition to any other  
11 tax imposed by this section, for the privilege of using in the state  
12 any such motor vehicle, and the annual amount of such additional excise  
13 shall be two-tenths of one percent of the value of such vehicle.

14 (3) Effective with October 1992 motor vehicle registration  
15 expirations, a clean air excise tax is imposed in addition to any other  
16 tax imposed by this section for the privilege of using in the state any  
17 motor vehicle as defined in RCW 82.44.010, except that farm vehicles as  
18 defined in RCW 46.04.181 shall not be subject to the tax imposed by  
19 this subsection. The annual amount of the additional excise tax shall  
20 be two dollars and twenty-five cents. Effective with July 1994 motor  
21 vehicle registration expirations, the annual amount of additional  
22 excise tax shall be two dollars.

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

28 The department shall distribute the additional tax collected under  
29 this subsection as follows:

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

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

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

6 (6) In no case shall the total tax be less than two dollars except  
7 for proportionally registered vehicles and except for vehicles on which  
8 a credit is granted under section 1 of this act.

9 (7) Washington residents, as defined in RCW 46.16.028, who license  
10 motor vehicles in another state or foreign country and avoid Washington  
11 motor vehicle excise taxes are liable for such unpaid excise taxes.  
12 The department of revenue may assess and collect the unpaid excise  
13 taxes under chapter 82.32 RCW, including the penalties and interest  
14 provided therein.

15 NEW SECTION. **Sec. 3.** This act is effective July 1, 1998, for  
16 motor vehicle fees that will become due October 1, 1998, and  
17 thereafter.

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