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HOUSE BILL 2646

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Dunshee, Morris, Dickerson, Conway, Butler, Mason and Kastama

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

1 AN ACT Relating to sales tax credits for taxpayers of Washington  
2 state; adding a new section to chapter 82.32 RCW; adding a new section  
3 to chapter 43.135 RCW; making an appropriation; and declaring an  
4 emergency.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.32 RCW  
7 to read as follows:

8 (1) The legislature finds that state revenues have exceeded the  
9 amount previously forecasted and that the excess should be returned to  
10 the taxpayers of this state. The preference of the legislature is to  
11 grant a one-time sales tax credit that could be taken when paying  
12 future sales taxes. However, the legislature has found this to be  
13 administratively too inefficient and costly. Another means to provide  
14 a tax credit, a sales tax credit that could be taken when paying  
15 property taxes, has also been found to be unwieldy. Instead, the  
16 legislature finds that the most efficient and fair means to provide a  
17 sales tax credit is to simply refund every resident of the state a  
18 share of the excess sales tax revenues.

1 (2) For the purposes of this section, "resident of the state" means  
2 a person who is listed on a jury source list as of December 1997 as  
3 compiled under RCW 2.36.054 through 2.36.0571.

4 (3)(a) The state treasurer shall pay, by December 15, 1998, to  
5 every resident of the state seventy dollars per exemption, excluding  
6 any dependent who resided with the taxpayer for less than six months in  
7 1997, claimed on the resident's internal revenue service tax return for  
8 1997 taxes. This payment is considered a partial credit of sales taxes  
9 paid by the resident in 1997.

10 (b) The state treasurer shall contract directly, or indirectly  
11 through other state agencies, to match names, addresses, and other  
12 pertinent information on the jury source lists with the names and  
13 addresses along with the number of exemptions, less any dependents who  
14 resided with the taxpayer for less than six months in 1997, claimed on  
15 individual United States internal revenue service tax returns for 1997  
16 taxes and filed in 1998, for the purposes of this section.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.135 RCW  
18 to read as follows:

19 Funds expended under section 1 of this act shall not be considered  
20 a money transfer under RCW 43.135.035(4) nor an expenditure subject to  
21 the expenditure limit established under RCW 43.135.025.

22 NEW SECTION. **Sec. 3.** The sum of two million dollars, or as much  
23 thereof as may be necessary, is appropriated for the fiscal year ending  
24 June 30, 1999, from the general fund to the state treasurer for the  
25 purposes of this act.

26 NEW SECTION. **Sec. 4.** If any provision of this act or its  
27 application to any person or circumstance is held invalid, the  
28 remainder of the act or the application of the provision to other  
29 persons or circumstances is not affected.

30 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
31 preservation of the public peace, health, or safety, or support of the  
32 state government and its existing public institutions, and takes effect  
33 immediately.

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