
HOUSE BILL 2660

State of Washington 55th Legislature 1998 Regular Session

By Representatives Thompson, O'Brien and Zellinsky

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

1 AN ACT Relating to exempting movie theater snack counters from the
2 special stadium sales and use tax imposed on restaurants; and amending
3 RCW 82.14.360.

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

5 **Sec. 1.** RCW 82.14.360 and 1995 3rd sp.s. c 1 s 201 are each
6 amended to read as follows:

7 (1) The legislative authority of a county with a population of one
8 million or more may impose a special stadium sales and use tax upon the
9 retail sale or use within the county by restaurants, taverns, and bars
10 of food and beverages that are taxable by the state under chapters
11 82.08 and 82.12 RCW. The rate of the tax shall not exceed five-tenths
12 of one percent of the selling price in the case of a sales tax, or
13 value of the article used in the case of a use tax. The tax imposed
14 under this subsection is in addition to any other taxes authorized by
15 law and shall not be credited against any other tax imposed upon the
16 same taxable event. As used in this section, "restaurant" does not
17 include grocery stores, mini-markets, ~~((or))~~ convenience stores, or
18 movie theater snack counters.

1 (2) The legislative authority of a county with a population of one
2 million or more may impose a special stadium sales and use tax upon
3 retail car rentals within the county that are taxable by the state
4 under chapters 82.08 and 82.12 RCW. The rate of the tax shall not
5 exceed two percent of the selling price in the case of a sales tax, or
6 rental value of the vehicle in the case of a use tax. The tax imposed
7 under this subsection is in addition to any other taxes authorized by
8 law and shall not be credited against any other tax imposed upon the
9 same taxable event.

10 (3) The revenue from the taxes imposed under this section shall be
11 used for the purpose of principal and interest payments on bonds,
12 issued by the county, to acquire, construct, own, remodel, maintain,
13 equip, reequip, repair, and operate a baseball stadium. Revenues from
14 the taxes authorized in this section may be used for design and other
15 preconstruction costs of the baseball stadium until bonds are issued
16 for the baseball stadium. The county shall issue bonds, in an amount
17 determined to be necessary by the public facilities district, for the
18 district to acquire, construct, own, and equip the baseball stadium.
19 The county shall have no obligation to issue bonds in an amount greater
20 than that which would be supported by the tax revenues under this
21 section, RCW 82.14.0485, and 36.38.010(~~((+3+))~~)(4) (a) and (b). If the
22 revenue from the taxes imposed under this section exceeds the amount
23 needed for such principal and interest payments in any year, the excess
24 shall be used solely:

25 (a) For early retirement of the bonds issued for the baseball
26 stadium; and

27 (b) If the revenue from the taxes imposed under this section
28 exceeds the amount needed for the purposes in (a) of this subsection in
29 any year, the excess shall be placed in a contingency fund which may
30 only be used to pay unanticipated capital costs on the baseball
31 stadium, excluding any cost overruns on initial construction.

32 (4) The taxes authorized under this section shall not be collected
33 after June 30, 1997, unless the county executive has certified to the
34 department of revenue that a professional major league baseball team
35 has made a binding and legally enforceable contractual commitment to:

36 (a) Play at least ninety percent of its home games in the stadium
37 for a period of time not shorter than the term of the bonds issued to
38 finance the initial construction of the stadium;

1 (b) Contribute forty-five million dollars toward the reasonably
2 necessary preconstruction costs including, but not limited to
3 architectural, engineering, environmental, and legal services, and the
4 cost of construction of the stadium, or to any associated public
5 purpose separate from bond-financed property, including without
6 limitation land acquisition, parking facilities, equipment,
7 infrastructure, or other similar costs associated with the project,
8 which contribution shall be made during a term not to exceed the term
9 of the bonds issued to finance the initial construction of the stadium.
10 If all or part of the contribution is made after the date of issuance
11 of the bonds, the team shall contribute an additional amount equal to
12 the accruing interest on the deferred portion of the contribution,
13 calculated at the interest rate on the bonds maturing in the year in
14 which the deferred contribution is made. No part of the contribution
15 may be made without the consent of the county until a public facilities
16 district is created under chapter 36.100 RCW to acquire, construct,
17 own, remodel, maintain, equip, reequip, repair, and operate a baseball
18 stadium. To the extent possible, contributions shall be structured in
19 a manner that would allow for the issuance of bonds to construct the
20 stadium that are exempt from federal income taxes; and

21 (c) Share a portion of the profits generated by the baseball team
22 from the operation of the professional franchise for a period of time
23 equal to the term of the bonds issued to finance the initial
24 construction of the stadium, after offsetting any losses incurred by
25 the baseball team after the effective date of chapter 14, Laws of 1995
26 1st sp. sess. Such profits and the portion to be shared shall be
27 defined by agreement between the public facilities district and the
28 baseball team. The shared profits shall be used to retire the bonds
29 issued to finance the initial construction of the stadium. If the
30 bonds are retired before the expiration of their term, the shared
31 profits shall be paid to the public facilities district.

32 (5) No tax may be collected under this section before January 1,
33 1996. Before collecting the taxes under this section or issuing bonds
34 for a baseball stadium, the county shall create a public facilities
35 district under chapter 36.100 RCW to acquire, construct, own, remodel,
36 maintain, equip, reequip, repair, and operate a baseball stadium.

37 (6) The county shall assemble such real property as the district
38 determines to be necessary as a site for the baseball stadium.
39 Property which is necessary for this purpose that is owned by the

1 county on October 17, 1995, shall be contributed to the district, and
2 property which is necessary for this purpose that is acquired by the
3 county on or after October 17, 1995, shall be conveyed to the district.

4 (7) The proceeds of any bonds issued for the baseball stadium shall
5 be provided to the district.

6 (8) As used in this section, "baseball stadium" means "baseball
7 stadium" as defined in RCW 82.14.0485.

8 (9) The taxes imposed under this section shall expire when the
9 bonds issued for the construction of the baseball stadium are retired,
10 but not later than twenty years after the taxes are first collected.

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