
SENATE BILL 5544

State of Washington

55th Legislature

1997 Regular Session

By Senators Strannigan, West, Heavey, Anderson, Haugen, Johnson, Rasmussen, Wood, Sellar, Prince, McDonald, Hale, Oke and Schow

Read first time 01/30/97. Referred to Committee on Ways & Means.

1 AN ACT Relating to use of motor vehicle excise taxes for
2 transportation purposes; amending RCW 82.44.150; providing an effective
3 date; and declaring an emergency.

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

5 **Sec. 1.** RCW 82.44.150 and 1995 2nd sp.s. c 14 s 538 are each
6 amended to read as follows:

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

16 The total amount of motor vehicle excise taxes remitted to the
17 department, except those payable under RCW 82.44.020(3) and 82.44.030,
18 from each county shall be multiplied by a fraction, the numerator of
19 which is the population of the municipality residing in such county,

1 and the denominator of which is the total population of the county in
2 which such municipality or portion thereof is located. The product of
3 this computation shall be the amount of excise taxes from motor vehicle
4 owners residing within such municipality or portion thereof. Where the
5 municipality levying a tax under RCW 35.58.273 is located in more than
6 one county, the above computation shall be made by county, and the
7 combined products shall provide the total amount of motor vehicle
8 excise taxes from motor vehicle owners residing in the municipality as
9 a whole. Population figures required for these computations shall be
10 supplied to the director by the office of financial management, who
11 shall adjust the fraction annually.

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

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

27 (b) To the central Puget Sound public transportation account
28 created in RCW 82.44.180, for revenues distributed after December 31,
29 1992, within a county with a population of one million or more and a
30 county with a population of from two hundred thousand to less than one
31 million bordering a county with a population of one million or more, a
32 sum equal to the difference between (i) the special excise tax levied
33 and collected under RCW 35.58.273 by those municipalities authorized to
34 levy and collect a special excise tax subject to the requirements of
35 subsections (3) and (4) of this section and (ii) the special excise tax
36 that the municipality would otherwise have been eligible to levy and
37 collect at a tax rate of .815 percent and been able to match with
38 locally generated tax revenues, other than the excise tax imposed under
39 RCW 35.58.273, budgeted for any public transportation purpose. Before

1 this deposit, the sum shall be reduced by an amount equal to the amount
2 distributed under (a) of this subsection for each of the municipalities
3 within the counties to which this subsection (2)(b) applies; however,
4 any transfer under this subsection (2)(b) must be greater than zero;

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

21 (d) To the general fund, for revenues distributed after June 30,
22 1993, and to the transportation fund, for revenues distributed after
23 June 30, 1995, a sum equal to the difference between (i) the special
24 excise tax levied and collected under RCW 35.58.273 by those
25 municipalities authorized to levy and collect a special excise tax
26 subject to the requirements of subsections (3) and (4) of this section
27 and (ii) the special excise tax that the municipality would otherwise
28 have been eligible to levy and collect at a tax rate of .815 percent
29 notwithstanding the requirements set forth in subsections (3) through
30 ~~((+6+))~~ (7) of this section, reduced by an amount equal to
31 distributions made under (a), (b), and (c) of this subsection and RCW
32 82.14.046.

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

37 (a) The amount required to be remitted by the state treasurer to
38 the treasurer of any municipality levying the tax shall not exceed in
39 any calendar year the amount of locally-generated tax revenues,

1 excluding (i) the excise tax imposed under RCW 35.58.273 for the
2 purposes of this section, which shall have been budgeted by the
3 municipality to be collected in such calendar year for any public
4 transportation purposes including but not limited to operating costs,
5 capital costs, and debt service on general obligation or revenue bonds
6 issued for these purposes; and (ii) the sales and use tax equalization
7 distributions provided under RCW 82.14.046; and

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

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

37 (5) On the first day of the months of January, April, July, and
38 October of each year, and after the distributions under subsections (2)
39 and (3) of this section, the state treasurer based upon information

1 provided by the department shall, from motor vehicle excise taxes
2 deposited in the general fund under RCW 82.44.110(1)(g), make the
3 following deposits into the transportation fund:

4 (a) For fiscal year 1998, 16.67 percent of the remaining motor
5 vehicle excise taxes deposited in the general fund under RCW
6 82.44.110(1)(g);

7 (b) For fiscal year 1999, 33.33 percent of the remaining motor
8 vehicle excise taxes deposited in the general fund under RCW
9 82.44.110(1)(g);

10 (c) For fiscal year 2000, 50.00 percent of the remaining motor
11 vehicle excise taxes deposited in the general fund under RCW
12 82.44.110(1)(g);

13 (d) For fiscal year 2001, 66.67 percent of the remaining motor
14 vehicle excise taxes deposited in the general fund under RCW
15 82.44.110(1)(g);

16 (e) For fiscal year 2002, 83.83 percent of the remaining motor
17 vehicle excise taxes deposited in the general fund under RCW
18 82.44.110(1)(g); and

19 (f) For fiscal year 2003 and thereafter, 100.0 percent of the
20 remaining motor vehicle excise taxes deposited in the general fund
21 under RCW 82.44.110(1)(g).

22 (6) The motor vehicle excise taxes imposed under RCW 35.58.273 and
23 required to be remitted under this section and RCW 82.14.046 shall be
24 remitted without legislative appropriation.

25 ((+6+)) (7) Any municipality levying and collecting a tax under RCW
26 35.58.273 which does not have an operating, public transit system or a
27 contract for public transportation services in effect within one year
28 from the initial effective date of the tax shall return to the state
29 treasurer all motor vehicle excise taxes received under subsection (3)
30 of this section.

31 NEW SECTION. Sec. 2. This act is necessary for the immediate
32 preservation of the public peace, health, or safety, or support of the
33 state government and its existing public institutions, and takes effect
34 July 1, 1997.

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