
SENATE BILL 6292

State of Washington

55th Legislature

1998 Regular Session

By Senators Benton and Zarelli

Read first time 01/15/98. Referred to Committee on Ways & Means.

1 AN ACT Relating to distribution of motor vehicle excise taxes;
2 amending RCW 82.44.150; and providing an effective date.

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

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

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

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

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

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

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

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

1 distributed under (a) of this subsection for each of the municipalities
2 within the counties to which this subsection (2)(b) applies; however,
3 any transfer under this subsection (2)(b) must be greater than zero;

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

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

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

36 (a) The amount required to be remitted by the state treasurer to
37 the treasurer of any municipality levying the tax shall not exceed in
38 any calendar year the amount of locally-generated tax revenues,
39 excluding (i) the excise tax imposed under RCW 35.58.273 for the

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

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

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

36 (5) On the first day of the months of January, April, July, and
37 October of each year, and after the distributions under subsections (2)
38 and (3) of this section, the state treasurer based upon information
39 provided by the department shall, from motor vehicle excise taxes

1 deposited in the general fund under RCW 82.44.110(1)(g), make the
2 following deposits into the motor vehicle fund:

3 (a) For fiscal year 1999, 25 percent of the remaining motor vehicle
4 excise taxes deposited in the general fund under RCW 82.44.110(1)(g);

5 (b) For fiscal year 2000, 50 percent of the remaining motor vehicle
6 excise taxes deposited in the general fund under RCW 82.44.110(1)(g);

7 (c) For fiscal year 2001, 75 percent of the remaining motor vehicle
8 excise taxes deposited in the general fund under RCW 82.44.110(1)(g);
9 and

10 (d) For fiscal year 2002, 100 percent of the remaining motor
11 vehicle excise taxes deposited in the general fund under RCW
12 82.44.110(1)(g).

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

16 ((+6+)) (7) Any municipality levying and collecting a tax under RCW
17 35.58.273 which does not have an operating, public transit system or a
18 contract for public transportation services in effect within one year
19 from the initial effective date of the tax shall return to the state
20 treasurer all motor vehicle excise taxes received under subsection (3)
21 of this section.

22 NEW SECTION. Sec. 2. This act takes effect July 1, 1998.

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