
HOUSE BILL 2260

State of Washington

56th Legislature

1999 Regular Session

By Representatives Eickmeyer, Alexander, Mulliken, Kessler, McMorris, Grant, Parlette, Doumit, Clements, Linville, Mielke, Koster, DeBolt, Cox, Pennington, Dunn, Crouse, Sump, Ericksen, Voloria, Mastin, Hankins, Murray, Van Luven, Skinner, Schoesler, Hatfield, Conway, Kenney, Rockefeller, Thomas, Lantz, Barlean and Haigh

Read first time 03/03/1999. Referred to Committee on Finance.

1 AN ACT Relating to tax incentives in rural counties; amending RCW
2 82.14.370; and creating new sections.

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

4 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
5 promote the creation and the retention of jobs. To that end section 2
6 of this act allows counties to provide public facilities that will
7 attract and retain businesses, thereby creating and maintaining jobs.

8 **Sec. 2.** RCW 82.14.370 and 1998 c 55 s 6 are each amended to read
9 as follows:

10 (1)(a) The legislative authority of a ((distressed)) rural county
11 with a population density of sixty or fewer persons per square mile, as
12 determined by the office of financial management, may impose a sales
13 and use tax in accordance with the terms of this chapter. The tax is
14 in addition to other taxes authorized by law and shall be collected
15 from those persons who are taxable by the state under chapters 82.08
16 and 82.12 RCW upon the occurrence of any taxable event within the
17 county. The rate of tax shall not exceed ((0.04)) 0.08 percent of the

1 selling price in the case of a sales tax or value of the article used
2 in the case of a use tax.

3 (b) The legislative authority of a rural county with a population
4 density greater than sixty persons per square mile but less than one
5 hundred persons per square mile, as determined by the office of
6 financial management, may impose a sales and use tax in accordance with
7 the terms of this chapter. The tax is in addition to other taxes
8 authorized by law and shall be collected from those persons who are
9 taxable by the state under chapters 82.08 and 82.12 RCW upon the
10 occurrence of any taxable event within the county. The rate of tax
11 shall not exceed 0.04 percent of the selling price in the case of a
12 sales tax or the value of the article used in the case of a use tax.

13 (2) The tax imposed under subsection (1) of this section shall be
14 deducted from the amount of tax otherwise required to be collected or
15 paid over to the department of revenue under chapter 82.08 or 82.12
16 RCW. The department of revenue shall perform the collection of such
17 taxes on behalf of the county at no cost to the county.

18 (3) Moneys collected under this section shall only be used for the
19 purpose of financing qualifying public facilities in rural counties.
20 The public facility must be listed as an item in the county's capital
21 facilities plan or the capital facilities plan of a city or town
22 located within the county. In implementing this section, the county
23 shall consult with cities, towns, and port districts within the county.

24 (4) No tax may be collected under this section before July 1, 1998.
25 No tax may be collected under this section by a county more than
26 twenty-five years after the date that a tax is first imposed under this
27 section.

28 (5) For purposes of this section(~~(, "distressed county")):~~

29 (a) "Rural county" means a county ((in which the average level of
30 unemployment for the three years before the year in which a tax is
31 first imposed under this section exceeds the average state unemployment
32 for those years by twenty percent)) with a population density of fewer
33 than one hundred persons per square mile, as determined by the office
34 of financial management.

35 (b) "Public facilities" means a project of a local government for
36 the planning, acquisition, construction, repair, reconstruction,
37 replacement, rehabilitation, or improvement of bridges, roads, domestic
38 and industrial water, flood control, earth stabilization, sanitary
39 sewer, storm sewer, railroad, electricity, natural gas,

1 telecommunications, buildings or structures, and port facilities, all
2 for the purpose of job creation, job retention, or job expansion.

3 NEW SECTION. **Sec. 3.** It is the intent of the legislature that a
4 county imposing a tax under RCW 82.14.370 use that money for targeted
5 and effective projects that benefit the public. Therefore, the
6 amendments in section 2 of this act apply to any ordinance adopted
7 under RCW 82.14.370.

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