
SENATE BILL 5420

State of Washington

56th Legislature

1999 Regular Session

By Senators Rasmussen, Swecker, T. Sheldon, Snyder, Winsley and Haugen;
by request of Governor Locke

Read first time 01/21/1999. Referred to Committee on Agriculture &
Rural Economic Development.

1 AN ACT Relating to the distressed county local option sales and use
2 tax for public facilities; amending RCW 82.14.370; creating new
3 sections; and providing an effective date.

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

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
6 promote the creation and the retention of jobs. To that end section 2,
7 chapter . . . , Laws of 1999 (section 2 of this act) allows counties to
8 provide public facilities that will attract and retain businesses,
9 thereby creating and maintaining jobs.

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

12 (1) The legislative authority of a distressed county may impose a
13 sales and use tax in accordance with the terms of this chapter. The
14 tax is in addition to other taxes authorized by law and shall be
15 collected from those persons who are taxable by the state under
16 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
17 within the county. The rate of tax shall not exceed (~~0.04~~) 0.08

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

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

8 (3) Moneys collected under this section shall only be used for the
9 purpose of financing qualifying public facilities in rural counties.
10 The public facility must be listed as an item in the officially adopted
11 county overall economic development plan or the economic development
12 section of the comprehensive plan for those counties planning under RCW
13 36.70A.040, or, for those counties who do not plan under the growth
14 management act and do not have an adopted overall economic development
15 plan, the public facility must be listed in the county's capital
16 facilities plan. For the purposes of this section, "public facilities"
17 means bridges, roads, domestic and industrial water, sanitary sewer,
18 storm sewer, railroad, electricity, natural gas, buildings or
19 structures, and port facilities, in the state of Washington.

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

24 (5) For purposes of this section, "distressed county" means a
25 county (a) in which the average level of unemployment for the three
26 years before the year in which a tax is first imposed under this
27 section exceeds the average state unemployment for those years by
28 twenty percent or (b) that has a median household income that is less
29 than seventy-five percent of the state median household income, for the
30 three years before the year in which a tax is first imposed under this
31 section.

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

1 NEW SECTION. **Sec. 4.** This act takes effect January 1, 2001.

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