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SENATE BILL 6718

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State of Washington

56th Legislature

2000 Regular Session

By Senators Thibaudeau, Horn, Patterson, Costa, Kohl-Welles, Kline and Jacobsen

Read first time 01/25/2000. Referred to Committee on Transportation.

1 AN ACT Relating to a sales and use tax for regional transit  
2 authorities; adding a new section to chapter 82.14 RCW; creating a new  
3 section; and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** The legislature recognizes that existing  
6 transportation facilities in the central Puget Sound region are  
7 inadequate to address mobility needs of the area. The geography of the  
8 region, growth in demand for travel, and public resistance to new  
9 roadways combine to further necessitate the rapid development of  
10 alternative modes of travel.

11 The legislature has found and declared in RCW 47.06.140 that  
12 transportation facilities and services of high-capacity transportation  
13 systems are of state-wide significance. Pursuant to RCW 81.104.140,  
14 the legislature has also declared that agencies authorized to provide  
15 high-capacity transportation service, including regional transit  
16 authorities, should seek other funds in addition to dedicated funding  
17 sources, including federal, state, local, and private sector  
18 assistance.

1 The imposition of state taxes on the purchase of the goods,  
2 services, and activities necessary to construct a multicounty high-  
3 capacity transportation system reduces the revenues available to  
4 successfully implement such a system. The credit provided by section  
5 2 of this act would facilitate the expansion of high-capacity  
6 transportation services by offsetting the taxes paid by regional  
7 transit authorities.

8 The legislature intends that the savings resulting from the credit  
9 provided in section 2 of this act will provide additional funds for the  
10 planning and construction of high-capacity transportation systems.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.14 RCW  
12 to read as follows:

13 (1) The legislative authority of a regional transit authority may  
14 impose a sales and use tax in accordance with the terms of this  
15 chapter. The tax is in addition to other taxes authorized by law and  
16 shall be collected from those persons who are taxable by the state  
17 under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable  
18 event within the regional transit authority district. The rate of the  
19 amount shall not exceed 0.065 percent of the selling price in the case  
20 of a sales tax or value of the article used in the case of a use tax.

21 (2) The tax imposed under subsection (1) of this section shall be  
22 deducted from the amount of tax otherwise required to be collected or  
23 paid over to the department of revenue under chapter 82.08 or 82.12  
24 RCW. The department of revenue shall perform the collection of such  
25 taxes on behalf of the regional transit authority at no cost to the  
26 regional transit authority.

27 (3) Moneys collected under this section shall only be used for the  
28 purpose of planning and constructing a high-capacity transportation  
29 system.

30 (4) As used in this section:

31 (a) "Regional transit authority" means an authority authorized  
32 under chapter 81.112 RCW; and

33 (b) "High-capacity transportation system" has the same meaning as  
34 provided in RCW 81.104.015.

1        NEW SECTION.    **Sec. 3.**    This act expires when the high-capacity  
2 transportation system has been completed, or January 1, 2007, whichever  
3 occurs first.

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