
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: H-2781.2/01 2nd draft

ATTY/TYPIST: JM:ads

BRIEF DESCRIPTION:

2 SHB 2144 - H AMD
3 By Representative

4

5 Strike everything after the enacting clause and insert the
6 following:

7 NEW SECTION. **Sec. 1.** Unless the context clearly requires
8 otherwise, the definitions in this section apply throughout this
9 chapter.

10 (1) "Applicant" means a person applying for a tax deferral under
11 this chapter.

12 (2) "Person" has the meaning given in RCW 82.04.030.

13 (3) "Department" means the department of revenue.

14 (4) "Investment project" means construction of new structures,
15 remodeling, expansion, or renovation of existing structures, site
16 preparation, or the acquisition of machinery and equipment when the
17 structures, site, and machinery and equipment will be used in the
18 operation of a regional amusement park.

19 (5) "Regional amusement park" means an entertainment facility that:

20 (a) Is on a site of at least sixty acres;

21 (b) Provides a wide variety of entertainment, including amusement
22 rides, a water park, live and animated entertainment, games, retail
23 stores, restaurant and food service, or similar facilities.

24 (6) "Structures" means edifices such as ticket offices,
25 entertainment facilities, rides, maintenance facilities, parking
26 facilities, and other structures that are an essential or integral part
27 of a regional amusement park. If a structure is used partly for use as
28 an essential or integral part of a regional amusement park and partly
29 for other purposes, the applicable tax deferral shall be determined by
30 apportionment of the costs of construction under rules adopted by the
31 department.

32 (7) "Machinery and equipment" means all fixtures, equipment, and
33 support facilities that are an integral and necessary part of a
34 regional amusement park.

35 (8) "Recipient" means a person receiving a tax deferral under this
36 chapter.

1 (9) "Certificate holder" means an applicant to whom a tax deferral
2 certificate has been issued.

3 (10) "Operationally complete" means constructed or improved to the
4 point of being used by the public.

5 (11) "Initiation of construction" means that date upon which
6 on-site construction commences.

7 NEW SECTION. **Sec. 2.** Application for deferral of taxes under this
8 chapter must be made before initiation of the construction of the
9 investment project. Application shall be made to the department in a
10 form and manner prescribed by the department. The application shall
11 contain information regarding the location of the investment project,
12 estimated or actual costs, time schedules for completion and operation,
13 and other information required by the department. The department shall
14 rule on the application within sixty days. An investment project must
15 cost at least seven million dollars to receive a deferral certificate.
16 If the investment project meets the requirements of this chapter, the
17 department shall issue a sales and use tax deferral certificate for
18 state and local sales and use taxes due under chapters 82.08, 82.12,
19 and 82.14 RCW on the investment project. A person that has been issued
20 a deferral certificate may apply for additional deferral certificates
21 for investment projects not included in an existing deferral
22 certificate.

23 This section expires July 1, 2006.

24 NEW SECTION. **Sec. 3.** (1) If a proposed investment project is
25 located within a city and the investment project exceeds forty-five
26 million dollars, then application for deferral of taxes under this
27 chapter may be made only after the legislative authority of the city
28 has conducted a public hearing on the proposed investment project after
29 the effective date of this act, submitted an advisory vote ballot
30 proposition to the registered voters residing within the city, and
31 adopted a resolution supporting the investment project.

32 (2) Notice of the public hearing shall be published at least once,
33 not less than ten days prior to the hearing, in a newspaper of general
34 circulation within the city. The public hearing may be continued to
35 other times, dates, and places announced at the public hearing, without
36 other publication of notice. At the public hearing, the city

1 legislative authority shall hear objections and comments from any
2 person interested in the proposed investment project.

3 (3) After the public hearing, if the city legislative authority
4 elects to proceed, the city legislative authority must adopt a
5 resolution causing an advisory vote ballot proposition to be submitted
6 to the registered voters residing within the city. The resolution
7 shall describe the investment project. The ballot proposition shall be
8 in substantially the following form:

9 "Should the regional amusement park described herein be constructed
10 within the City of?"

11 YES 1

12 NO 1 "

13 (4) A simple majority "Yes" vote by registered voters is advisory
14 only and means only that according to a majority of the persons voting
15 on the proposition the investment project should proceed towards
16 construction. A simple majority "Yes" vote by registered voters shall
17 not be construed to have any other effect, including approval of any
18 land use applications, building permits, or other legal requirements
19 imposed on the investment project or of any city financial
20 participation in the project or in public facilities designed to
21 support the activities of the project.

22 (5) After the advisory vote, the city legislative authority may,
23 upon a finding that the investment project would be in the public
24 interest, adopt a resolution in support of the investment project.
25 Adoption of a resolution in support of the investment project shall not
26 be construed to be approval of any land use application, building
27 permit, or other legal requirement imposed on the investment project or
28 of any city financial participation in the project or in public
29 facilities designed to support the activities of the project.

30 NEW SECTION. **Sec. 4.** (1) Except as provided in subsection (2) of
31 this section, taxes deferred under this chapter need not be repaid.

32 (2) If, on the basis of a report under section 5 of this act or
33 other information, the department finds that an investment project is
34 used for purposes other than a regional amusement park at any time
35 during the calendar year in which the investment project is certified
36 by the department as being operationally complete, or at any time

1 during any of the seven succeeding calendar years, a portion of
2 deferred taxes is immediately due according to the following schedule:

3	Year in which use occurs	% of deferred taxes due
4	1	100.0%
5	2	87.5%
6	3	75.0%
7	4	62.5%
8	5	50.0%
9	6	37.5%
10	7	25.0%
11	8	12.5%

12 The department shall assess interest at the rate provided for
13 delinquent taxes, but not penalties, retroactively to the date of
14 deferral. The debt for deferred taxes will not be extinguished by
15 insolvency or other failure of the recipient. Transfer of ownership
16 does not terminate the deferral. The deferral is transferred, subject
17 to the successor meeting the eligibility requirements of this chapter,
18 for the remaining periods of the deferral.

19 NEW SECTION. **Sec. 5.** Each recipient of a deferral granted under
20 this chapter shall submit a report to the department on December 31st
21 of the year in which the investment project is certified by the
22 department as being operationally complete, and on December 31st of
23 each of the seven succeeding calendar years. The report shall contain
24 information, as required by the department, from which the department
25 may determine whether the recipient is meeting the requirements of this
26 chapter.

27 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
28 preservation of the public peace, health, or safety, or support of the
29 state government and its existing public institutions, and takes effect
30 August 1, 2001.

31 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act constitute
32 a new chapter in Title 82 RCW."

1 Correct the title.

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