

# SENATE BILL REPORT

## SB 6139

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As of March 7, 2001

**Title:** An act relating to school construction taxation.

**Brief Description:** Assisting schools with airport noise mitigation.

**Sponsors:** Senators Patterson, Constantine, Fairley and Eide.

**Brief History:**

**Committee Activity:** Ways & Means: 3/8/01.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** David Schumacher (786-7474)

**Background:** The sales tax is paid on each retail sale of most articles of tangible personal property and certain services. The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition has not been subject to the sales tax. The use tax commonly applies to purchases made from out-of-state firms.

Major items exempt from tax include food for human consumption, prescription drugs, motor vehicle fuel, utility services, professional services (e.g. medical, legal), certain business services (e.g. accounting, engineering), and items that become a component part of another product for sale.

State sales and use tax revenues are deposited into the state general fund. Transfers of revenue from the general fund to other funds result in a reduction in the 601 expenditure limit.

**Summary of Bill:** An amount equal to the sales and use tax paid on the construction or renovation of public school buildings within 15 miles of certain sized airports is deposited into a new airport noise mitigation account.

Funds from the new account may only be used for airport noise abatement by these same schools.

**Appropriation:** None.

**Fiscal Note:** Available. New fiscal note requested on March 7, 2001.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.