
SENATE BILL 6593

State of Washington 57th Legislature 2002 Regular Session

By Senators Regala, Poulsen, Winsley, B. Sheldon, Fraser and McAuliffe

Read first time 01/22/2002. Referred to Committee on Ways & Means.

1 AN ACT Relating to mitigating the impacts of revenue reductions on
2 local governments; and adding a new section to chapter 36.01 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 36.01 RCW
5 to read as follows:

6 (1) The governing body of any county may by ordinance levy a tax on
7 the privilege of conducting any of the following businesses within the
8 territorial boundaries of the county.

9 (a) An electrical energy business;

10 (b) A natural or manufactured gas distribution business;

11 (c) A steam energy business;

12 (d) A sewer business;

13 (e) A water distribution business;

14 (f) A solid waste collection business; and

15 (g) A telephone business.

16 (2)(a) The rate of tax shall not exceed one percent of the gross
17 revenues derived by businesses, except for telephone businesses as
18 provided in (b) of this subsection, from sales made within the county,

1 exclusive of sales for resale. The rate imposed on each business must
2 be uniform as to all businesses in that class.

3 (b) A county may not impose a tax on the gross revenues derived by
4 a telephone business which represents charges to another
5 telecommunication company, as defined in RCW 80.04.010, for connecting
6 fees, switching charges, or carrier access charges relating to
7 intrastate toll telephone services, or for access to, or charges for,
8 interstate services, or charges for network telephone service that is
9 purchased for the purpose of resale.

10 (c) By a vote of the people the county may impose a rate of tax not
11 to exceed three percent of the gross revenues. In addition, by a vote
12 of the people the county may include the gross revenues derived from
13 sales for resale made by any business except for a telephone business
14 in the gross revenues subject to tax.

15 (3) In addition to the provisions for levying and collecting a tax,
16 the ordinance must include, but is not limited to, the following
17 provisions:

18 (a) Exemptions, deductions, and credits;

19 (b) Place of sale; and

20 (c) Due dates and penalties.

21 (4) Money collected under this section must be used exclusively for
22 any of the following purposes:

23 (a) To assist the criminal justice system. Activities assisting
24 the criminal justice system may include police protection, mitigation
25 of congested court systems, relief for overcrowded jails, domestic
26 violence services, community and legal advocates, hearings and
27 ancillary services related to at-risk youth, truancy, and children in
28 need of services;

29 (b) To maintain and improve the health of citizens. Activities
30 maintaining and improving the health of citizens may include providing
31 access to personal health and preventative care, and providing for
32 environmental health protection services;

33 (c) To provide for human services. Activities that provide for
34 human services may include providing for the care of persons who, as a
35 result of their economic, social, or health condition require financial
36 assistance, institutional care, or rehabilitation.

37 (5) The tax authorized by this section is in addition to other
38 taxes and does not prevent any city or town within the taxing county,

1 when authorized by law, from imposing within its corporate limits a tax
2 of the same or similar kind.

3 (6) For the purposes of this section, unless the context clearly
4 requires otherwise, the following definitions apply.

5 (a) "Electrical energy business" means the business of producing,
6 distributing, or selling electrical energy.

7 (b) "Natural or manufactured gas distribution business" means the
8 business of operating a plant or system for the production, sale, or
9 distribution of natural or manufactured gas by a pipeline.

10 (c) "Steam energy business" means the business of operating a plant
11 or system for the production, sale, or distribution of steam used for
12 energy.

13 (d) "Sewer business" means a business that collects, treats, and/or
14 disposes of sewage. A sewer business may include storm or surface
15 water drainage and channeling facilities.

16 (e) "Water distribution business" means the business of operating
17 a plant or system for the production, sale, or distribution of water.

18 (f) "Solid waste collection business" means the business of
19 collecting, hauling, transferring, and/or storing garbage or other
20 materials discarded as worthless.

21 (g) "Telephone business" means the business of providing network
22 telephone service as that phrase is defined in RCW 82.04.065 and
23 includes cooperative or farmer line telephone companies or associations
24 operating an exchange.

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