
SUBSTITUTE HOUSE BILL 2036

State of Washington 58th Legislature 2003 Regular Session

By House Committee on Finance (originally sponsored by Representatives Buck, McCoy and Clements)

READ FIRST TIME 03/10/03.

1 AN ACT Relating to cigarette tax contracts; and amending RCW
2 43.06.460.

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

4 **Sec. 1.** RCW 43.06.460 and 2002 c 87 s 1 are each amended to read
5 as follows:

6 (1) The governor is authorized to enter into cigarette tax
7 contracts with the Squaxin Island Tribe, the Nisqually Tribe, Tulalip
8 Tribes, the Muckleshoot Indian Tribe, the Quinault Nation, the
9 Jamestown S'Klallam Indian Tribe, the Port Gamble S'Klallam Tribe, the
10 Stillaguamish Tribe, the Sauk-Suiattle Tribe, the Skokomish Indian
11 Tribe, the Yakama Nation, the Suquamish Tribe, the Nooksack Indian
12 Tribe, the Lummi Nation, the Chehalis Confederated Tribes, the Upper
13 Skagit Tribe, the Snoqualmie Tribe, ~~((and))~~ the Swinomish Tribe, the
14 Samish Indian Nation, the Quileute Tribe, and the Kalispel Tribe. Each
15 contract adopted under this section shall provide that the tribal
16 cigarette tax rate be one hundred percent of the state cigarette and
17 state and local sales and use taxes within three years of enacting the
18 tribal tax and shall be set no lower than eighty percent of the state
19 cigarette and state and local sales and use taxes during the three-year

1 phase-in period. The three-year phase-in period shall be shortened by
2 three months each quarter the number of cartons of nontribal
3 manufactured cigarettes is at least ten percent or more than the
4 quarterly average number of cartons of nontribal manufactured
5 cigarettes from the six-month period preceding the imposition of the
6 tribal tax under the contract. Sales at a retailer operation not in
7 existence as of the date a tribal tax under this section is imposed are
8 subject to the full rate of the tribal tax under the contract. The
9 tribal cigarette tax is in lieu of the state cigarette and state and
10 local sales and use taxes, as provided in RCW 43.06.455(3).

11 (2) A cigarette tax contract under this section is subject to RCW
12 43.06.455.

--- END ---