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HOUSE BILL 2508

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State of Washington                      58th Legislature                      2004 Regular Session

By Representatives Conway, Bush, Campbell and Kirby

Read first time 01/15/2004. Referred to Committee on Finance.

1            AN ACT Relating to lodging taxation; amending RCW 67.28.181 and  
2 67.28.200; and creating a new section.

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

4            **Sec. 1.** RCW 67.28.181 and 1998 c 35 s 1 are each amended to read  
5 as follows:

6            (1) The legislative body of any municipality may impose an excise  
7 tax on the sale of or charge made for the furnishing of lodging that is  
8 subject to tax under chapter 82.08 RCW. The rate of tax shall not  
9 exceed the lesser of two percent or a rate that, when combined with all  
10 other taxes imposed upon sales of lodging within the municipality under  
11 this chapter and chapters 36.100, 67.40, 82.08, and 82.14 RCW, equals  
12 twelve percent. A tax under this chapter shall not be imposed in  
13 increments smaller than tenths of a percent.

14            (2) Notwithstanding subsection (1) of this section:

15            (a) If a municipality was authorized to impose taxes under this  
16 chapter or RCW 67.40.100 or both with a total rate exceeding four  
17 percent before July 27, 1997, such total authorization shall continue  
18 through January ((±)) 31, 1999, and thereafter the municipality may

1 impose a tax under this section at a rate not exceeding the rate  
2 actually imposed by the municipality on January ((±)) 31, 1999.

3 (b) If a city or town, other than a municipality imposing a tax  
4 under (a) of this subsection, is located in a county that imposed taxes  
5 under this chapter with a total rate of four percent or more on January  
6 1, 1997, the city or town may not impose a tax under this section.

7 (c) If a city has a population of four hundred thousand or more and  
8 is located in a county with a population of one million or more, the  
9 rate of tax imposed under this chapter by the city shall not exceed the  
10 lesser of four percent or a rate that, when combined with all other  
11 taxes imposed upon sales of lodging in the municipality under this  
12 chapter and chapters 36.100, 67.40, 82.08, and 82.14 RCW, equals  
13 fifteen and two-tenths percent.

14 (d) If a municipality was authorized to impose taxes under this  
15 chapter or RCW 67.40.100, or both, at a rate equal to six percent  
16 before January 1, 1998, the municipality may impose a tax under this  
17 section at a rate not exceeding the rate actually imposed by the  
18 municipality on January 1, 1998.

19 (3) Any county ordinance or resolution adopted under this section  
20 shall contain a provision allowing a credit against the county tax for  
21 the full amount of any city or town tax imposed under this section upon  
22 the same taxable event.

23 **Sec. 2.** RCW 67.28.200 and 1997 c 452 s 14 are each amended to read  
24 as follows:

25 The legislative body of any municipality may establish reasonable  
26 exemptions for taxes authorized under this chapter. The department of  
27 revenue shall perform the collection of such taxes on behalf of such  
28 municipality at no cost to such municipality. Except as expressly  
29 provided in this chapter, all of the provisions contained in RCW  
30 82.08.050 and 82.08.060 and chapter 82.32 RCW shall have full force and  
31 application with respect to taxes imposed under the provisions of this  
32 chapter.

33 NEW SECTION. **Sec. 3.** This act applies retroactively to January 1,  
34 1999.

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