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SENATE BILL 5247

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State of Washington

58th Legislature

2003 Regular Session

By Senators Horn, Haugen, Esser, Jacobsen, Kastama, Prentice, Oke, Swecker and Schmidt

Read first time 01/20/2003. Referred to Committee on Highways & Transportation.

1 AN ACT Relating to an alternative local option fuel tax; amending  
2 RCW 82.80.010; and adding a new section to chapter 82.80 RCW.

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

4 **Sec. 1.** RCW 82.80.010 and 1998 c 176 s 86 are each amended to read  
5 as follows:

6 (1) For purposes of this section:

7 (a) "Distributor" means every person who imports, refines,  
8 manufactures, produces, or compounds motor vehicle fuel and special  
9 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
10 or distributes the fuel into a county;

11 (b) "Person" has the same meaning as in RCW 82.04.030.

12 (2) Subject to the conditions of this section, any county may levy,  
13 by approval of its legislative body and a majority of the registered  
14 voters of the county voting on the proposition at a general or special  
15 election, additional excise taxes equal to ten percent of the statewide  
16 motor vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
17 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
18 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
19 county. Vehicles paying an annual license fee under RCW 82.38.075 are

1 exempt from the county fuel excise tax. An election held under this  
2 section must be held not more than twelve months before the date on  
3 which the proposed tax is to be levied. The ballot setting forth the  
4 proposition shall state the tax rate that is proposed. The county's  
5 authority to levy additional excise taxes under this section includes  
6 the incorporated and unincorporated areas of the county. The  
7 additional excise taxes are subject to the same exceptions and rights  
8 of refund as applicable to other motor vehicle fuel and special fuel  
9 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed  
10 tax shall not be levied less than one month from the date the election  
11 results are certified by the county election officer. The commencement  
12 date for the levy of any tax under this section shall be the first day  
13 of January, April, July, or October.

14 ~~((2) Every person subject to the tax shall pay, in addition to any  
15 other taxes provided by law, an additional excise tax to the director  
16 of licensing at the rate levied by a county exercising its authority  
17 under this section.))~~

18 (3) The local option motor vehicle fuel tax on each gallon of motor  
19 vehicle fuel and on each gallon of special fuel is imposed upon the  
20 distributor of the fuel.

21 (4) The incidence of the tax occurs upon the first distribution of  
22 the fuel within the boundaries of a county to a retail outlet, bulk  
23 fuel user, or ultimate user of the fuel.

24 (5) All administrative provisions in chapters 82.01, 82.03, and  
25 82.32 RCW, as they now exist or may hereafter be amended, insofar as  
26 they are applicable, also apply to local option fuel taxes imposed  
27 under this section.

28 (6) Before the effective date of the imposition of the fuel taxes  
29 under this section, a county shall contract with the department of  
30 revenue for the administration and collection of the taxes. The  
31 contract must provide that a percentage amount, not to exceed two  
32 percent of the taxes imposed under this section, will be deposited into  
33 the local tax administration account created in the custody of the  
34 state treasurer. The department of revenue may spend money from this  
35 account, upon appropriation, for the administration of the local taxes  
36 imposed under this section.

37 (7) The state treasurer shall distribute monthly to the levying  
38 county and cities contained therein the proceeds of the additional

1 excise taxes collected under this section, after the deductions for  
2 payments and expenditures as provided in RCW 46.68.090(1) (a) and  
3 ~~((+2))~~ (b) and under the conditions and limitations provided in RCW  
4 82.80.080.

5 ~~((+4))~~ (8) The proceeds of the additional excise taxes levied  
6 under this section shall be used strictly for transportation purposes  
7 in accordance with RCW 82.80.070.

8 ~~((+5) The department of licensing shall administer and collect the  
9 county fuel taxes. The department shall deduct a percentage amount, as  
10 provided by contract, for administrative, collection, refund, and audit  
11 expenses incurred. The remaining proceeds shall be remitted to the  
12 custody of the state treasurer for monthly distribution under RCW  
13 82.80.080.))~~

14 (9) The additional excise tax in this section may not be levied if  
15 a county has levied the additional excise tax in section 2 of this act.

16 NEW SECTION. Sec. 2. A new section is added to chapter 82.80 RCW  
17 to read as follows:

18 (1) For purposes of this section:

19 (a) "Distributor" means every person who imports, refines,  
20 manufactures, produces, or compounds motor vehicle fuel and special  
21 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
22 or distributes the fuel into a county;

23 (b) "Person" has the same meaning as in RCW 82.04.030.

24 (2) In lieu of the tax imposed in RCW 82.80.010, for purposes of  
25 dedication to a regional transportation investment district under  
26 chapter 36.120 RCW, subject to the conditions of this section, a county  
27 may levy additional excise taxes equal to ten percent of the statewide  
28 motor vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
29 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
30 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
31 county. The additional excise tax is subject to the approval of the  
32 county's legislative body and a majority of the registered voters of  
33 the county voting on the proposition at a general or special election.  
34 An election held under this section must be held not more than twelve  
35 months before the date on which the proposed tax is to be levied. The  
36 ballot setting forth the proposition must state the tax rate that is  
37 proposed and that the revenues from the tax will be used for a regional

1 transportation investment district plan. The county's authority to  
2 levy additional excise taxes under this section includes the  
3 incorporated and unincorporated areas of the county. Vehicles paying  
4 an annual license fee under RCW 82.38.075 are exempt from the county  
5 fuel excise tax. The additional excise taxes are subject to the same  
6 exceptions and rights of refund as applicable to other motor vehicle  
7 fuel and special fuel excise taxes levied under chapters 82.36 and  
8 82.38 RCW. The proposed tax may not be levied less than one month from  
9 the date the election results are certified by the county election  
10 officer. The commencement date for the levy of any tax under this  
11 section will be the first day of January, April, July, or October.

12 (3) The local option motor vehicle fuel tax on each gallon of motor  
13 vehicle fuel and on each gallon of special fuel is imposed upon the  
14 distributor of the fuel.

15 (4) The incidence of the tax occurs upon the first distribution of  
16 the fuel within the boundaries of a county to a retail outlet, bulk  
17 fuel user, or ultimate user of the fuel.

18 (5) All administrative provisions in chapters 82.01, 82.03, and  
19 82.32 RCW, as they now exist or may hereafter be amended, insofar as  
20 they are applicable, also apply to local option fuel taxes imposed  
21 under this section.

22 (6) Before the effective date of the imposition of the fuel taxes  
23 under this section, a county shall contract with the department of  
24 revenue for the administration and collection of the taxes. The  
25 contract must provide that a percentage amount, not to exceed two  
26 percent of the taxes imposed under this section, will be deposited into  
27 the local tax administration account created in the custody of the  
28 state treasurer. The department of revenue may spend money from this  
29 account, upon appropriation, for the administration of the local taxes  
30 imposed under this section.

31 (7) The state treasurer shall distribute monthly to the county  
32 levying the tax as part of a regional transportation investment plan,  
33 after the deductions for payments and expenditures as provided in RCW  
34 46.68.090(1) (a) and (b).

35 (8) The proceeds of the additional taxes levied by a county in this  
36 section, to be used as a part of a regional transportation investment  
37 plan, must be used in accordance to chapter 36.120 RCW, but only for

1 those areas that are considered "highway purposes" as that term is  
2 construed in Article II, section 40 of the state Constitution.

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