
SENATE BILL 6113

State of Washington

58th Legislature

2004 Regular Session

By Senators T. Sheldon, Swecker, Haugen, Zarelli, Rasmussen and Benton

Read first time 01/12/2004. Referred to Committee on Economic Development.

1 AN ACT Relating to the use of rural county sales and use tax
2 proceeds; and amending RCW 82.14.370.

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

4 **Sec. 1.** RCW 82.14.370 and 2002 c 184 s 1 are each amended to read
5 as follows:

6 (1) The legislative authority of a rural county may impose a sales
7 and use tax in accordance with the terms of this chapter. The tax is
8 in addition to other taxes authorized by law and shall be collected
9 from those persons who are taxable by the state under chapters 82.08
10 and 82.12 RCW upon the occurrence of any taxable event within the
11 county. The rate of tax shall not exceed 0.08 percent of the selling
12 price in the case of a sales tax or value of the article used in the
13 case of a use tax, except that for rural counties with population
14 densities between sixty and one hundred persons per square mile, the
15 rate shall not exceed 0.04 percent before January 1, 2000.

16 (2) The tax imposed under subsection (1) of this section shall be
17 deducted from the amount of tax otherwise required to be collected or
18 paid over to the department of revenue under chapter 82.08 or 82.12
19 RCW. The department of revenue shall perform the collection of such

1 taxes on behalf of the county at no cost to the county. Beginning July
2 1, 2004, no money collected under this section shall be distributed
3 until the county has submitted to the department of community, trade,
4 and economic development a list of projects from the prior fiscal year
5 showing that the county has used the funds consistent with the
6 requirements of subsection (3) of this section. If the department of
7 community, trade, and economic development finds that the county's
8 funds have not been used in a manner consistent with subsection (3) of
9 this section, the money collected shall be distributed by the
10 department of revenue to the public facilities construction loan
11 revolving account for use by the community economic revitalization
12 board on public infrastructure projects within the county.

13 (3) Moneys collected under this section shall only be used for the
14 purpose of financing public facilities for economic development
15 purposes in rural counties. The public facility must be listed as an
16 item in the officially adopted county overall economic development
17 plan, or the economic development section of the county's comprehensive
18 plan, or the comprehensive plan of a city or town located within the
19 county for those counties planning under RCW 36.70A.040. For those
20 counties that do not have an adopted overall economic development plan
21 and do not plan under the growth management act, the public facility
22 must be listed in the county's capital facilities plan or the capital
23 facilities plan of a city or town located within the county. In
24 implementing this section, the county shall consult with cities, towns,
25 and port districts located within the county and the associate
26 development organization serving the county. For the purposes of this
27 section, (a) "public facilities" means bridges, roads, domestic and
28 industrial water facilities, sanitary sewer facilities, earth
29 stabilization, storm sewer facilities, railroad, electricity, natural
30 gas, buildings, structures, telecommunications infrastructure,
31 transportation infrastructure, or commercial infrastructure, and port
32 facilities in the state of Washington; and (b) "economic development
33 purposes" means activities that facilitate the creation or retention of
34 private businesses and private sector jobs.

35 (4) No tax may be collected under this section before July 1, 1998.
36 No tax may be collected under this section by a county more than
37 twenty-five years after the date that a tax is first imposed under this
38 section.

1 (5) For purposes of this section, "rural county" means a county
2 with a population density of less than one hundred persons per square
3 mile or a county smaller than two hundred twenty-five square miles as
4 determined by the office of financial management and published each
5 year by the department for the period July 1st to June 30th.

--- END ---