

2267

Sponsor(s): Representatives Gombosky, Sommers, Moeller, Cody, Conway, Fromhold and McIntire

Brief Description: Providing revenue for the student achievement fund and the health services account. Revised for 1st Substitute: Modifying revenue provisions.

HB 2267 - DIGEST

(SUBSTITUTED FOR - SEE 1ST SUB)

Improves funding for education by imposing an additional 0.2 percent retail sales and use tax that is dedicated for education purposes. The revenue from this tax will be deposited in the student achievement account and will provide three hundred sixteen dollars per pupil funding in school year 2005, better schools funding, promise scholarship funding, and high-demand enrollment in the higher education institutions.

Improves funding for health care by providing dedicated revenue from the following sources: (1) An additional tax on cigarettes of fifty cents per pack;

(2) An additional tax of five percent on retail sales of spirits (hard liquor) and beverages containing spirits;

(3) Limiting the business and occupation tax deduction for dues by excluding businesses that provide amusement, recreation, or physical fitness services in exchange for the dues;

(4) Repealing the sales and use tax exemptions for candy and gum;

(5) Imposing penalties on businesses that underpay state excise taxes; and

(6) Repealing the business and occupation tax deduction for cash discounts.

Provides that the revenues from these sources are deposited in the health services account, and will provide funding for children's medical coverage up to two hundred fifty percent of federal poverty level and enrollment in the basic health plan.

Provides that there is levied and there shall be collected an additional tax on each retail sale in this state equal to two-tenths percent of the selling price. The revenue collected under this provision, and under RCW 82.12.020 attributable to the rate in this provision, shall be deposited in the student achievement fund.

Provides that there is levied and shall be collected a tax upon each retail sale of spirits, strong beer, or beverage containing spirits, at the rate of five percent of the selling price.

Provides that the revenue collected under this act shall be deposited in the health services account.

Provides that there is hereby levied and there shall be collected by the department of revenue from the persons mentioned in and in the manner provided by this chapter, an additional tax upon the sale, use, consumption, handling, possession, or distribution of cigarettes in an amount equal to the rate of twenty-five mills per cigarette.

Requires the revenue collected under this act to be deposited as indicated in the act.

Declares that the deduction under RCW 82.04.4282 is not available to any person engaging in the business of providing any amusement and recreation service under RCW 82.04.050(3)(a) or fitness service under RCW 82.04.050(3)(g).

Repeals RCW 82.04.4283.