
SUBSTITUTE SENATE BILL 6247

State of Washington

59th Legislature

2006 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Haugen and Benson)

READ FIRST TIME 01/25/06.

1 AN ACT Relating to uniform administration of locally imposed motor
2 vehicle excise taxes; amending RCW 81.100.060, 82.44.060, 82.80.130,
3 82.44.065, 82.44.090, 82.44.100, and 82.44.120; adding new sections to
4 chapter 82.44 RCW; and repealing RCW 82.44.022, 82.44.023, 82.44.025,
5 82.44.080, 82.44.130, 82.44.155, 82.44.157, 82.44.160, and 82.44.170.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.44 RCW
8 to read as follows:

9 (1) For the purpose of determining any locally imposed motor
10 vehicle excise tax, the value of a truck-type power or trailing unit
11 shall be the latest purchase price of the vehicle, excluding applicable
12 federal excise taxes, state and local sales or use taxes,
13 transportation or shipping costs, or preparatory or delivery costs,
14 multiplied by the following percentage based on year of service of the
15 vehicle since last sale. The latest purchase year shall be considered
16 the first year of service.

| | YEAR OF SERVICE | PERCENTAGE |
|----|-----------------|------------|
| 1 | | |
| 2 | 1 | 100 |
| 3 | 2 | 81 |
| 4 | 3 | 67 |
| 5 | 4 | 55 |
| 6 | 5 | 45 |
| 7 | 6 | 37 |
| 8 | 7 | 30 |
| 9 | 8 | 25 |
| 10 | 9 | 20 |
| 11 | 10 | 16 |
| 12 | 11 | 13 |
| 13 | 12 | 11 |
| 14 | 13 | 9 |
| 15 | 14 | 7 |
| 16 | 15 | 3 |
| 17 | 16 or older | 0 |

18 (2) The reissuance of title and registration for a truck-type power
19 or trailing unit because of the installation of body or special
20 equipment shall be treated as a sale, and the value of the truck-type
21 power or trailing unit at that time, as determined by the department
22 from such information as may be available, shall be considered the
23 latest purchase price.

24 (3) For the purpose of determining any locally imposed motor
25 vehicle excise tax, the value of a motor vehicle other than a truck-
26 type power or trailing unit shall be eighty-five percent of the
27 manufacturer's base suggested retail price of the vehicle when first
28 offered for sale as a new vehicle, excluding any optional equipment,
29 applicable federal excise taxes, state and local sales or use taxes,
30 transportation or shipping costs, or preparatory or delivery costs,
31 multiplied by the applicable percentage listed in this subsection (3)
32 based on year of service of the vehicle.

33 If the manufacturer's base suggested retail price is unavailable or
34 otherwise unascertainable at the time of initial registration in this
35 state, the department shall determine a value equivalent to a
36 manufacturer's base suggested retail price as follows:

1 (a) The department shall determine a value using any information
2 that may be available, including any guidebook, report, or compendium
3 of recognized standing in the automotive industry or the selling price
4 and year of sale of the vehicle. The department may use an appraisal
5 by the county assessor. In valuing a vehicle for which the current
6 value or selling price is not indicative of the value of similar
7 vehicles of the same year and model, the department shall establish a
8 value that more closely represents the average value of similar
9 vehicles of the same year and model. The value determined in this
10 subsection (3)(a) shall be divided by the applicable percentage listed
11 in (b) of this subsection (3) to establish a value equivalent to a
12 manufacturer's base suggested retail price and this value shall be
13 multiplied by eighty-five percent.

14 (b) The year the vehicle is offered for sale as a new vehicle shall
15 be considered the first year of service.

| 16 | YEAR OF SERVICE | PERCENTAGE |
|----|-----------------|------------|
| 17 | 1 | 100 |
| 18 | 2 | 81 |
| 19 | 3 | 72 |
| 20 | 4 | 63 |
| 21 | 5 | 55 |
| 22 | 6 | 47 |
| 23 | 7 | 41 |
| 24 | 8 | 36 |
| 25 | 9 | 32 |
| 26 | 10 | 27 |
| 27 | 11 | 26 |
| 28 | 12 | 24 |
| 29 | 13 | 23 |
| 30 | 14 | 21 |
| 31 | 15 | 16 |
| 32 | 16 or older | 10 |

33 (4) For purposes of this chapter, value shall exclude value
34 attributable to modifications of a motor vehicle and equipment that are
35 designed to facilitate the use or operation of the motor vehicle by a
36 person with a disability.

1 **Sec. 2.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to
2 read as follows:

3 A county with a population of one million or more and a county with
4 a population of from two hundred ten thousand to less than one million
5 that is adjoining a county with a population of one million or more,
6 having within their boundaries existing or planned high-occupancy
7 vehicle lanes on the state highway system, or a regional transportation
8 investment district for capital improvements, but only to the extent
9 that the surcharge has not already been imposed by the county, may,
10 with voter approval, impose a local surcharge of not more than three-
11 tenths of one percent of the value on vehicles registered to a person
12 residing within the county and not more than 13.64 percent on the state
13 sales and use taxes paid under the rate in RCW 82.08.020(2) on retail
14 car rentals within the county or investment district. A county may
15 impose the surcharge only to the extent that it has not been imposed by
16 the district. No surcharge may be imposed on vehicles licensed under
17 RCW 46.16.070 except vehicles with an unladen weight of six thousand
18 pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.

19 Counties or investment districts imposing a tax under this section
20 shall contract, before the effective date of the resolution or
21 ordinance imposing a surcharge, administration and collection to the
22 state department of licensing, and department of revenue, as
23 appropriate, which shall deduct an amount, as provided by contract, for
24 administration and collection expenses incurred by the department. All
25 administrative provisions in chapters 82.03, 82.32, and 82.44 RCW, as
26 existing on January 1, 2006, shall, insofar as they are applicable to
27 motor vehicle excise taxes, be applicable to surcharges imposed under
28 this section before the effective date of this act. Motor vehicles
29 subject to the local surcharge authorized in this section shall be
30 administered in accordance with this act if the surcharge is first
31 imposed on or after the effective date of this act. All administrative
32 provisions in chapters 82.03, 82.08, 82.12, and 82.32 RCW shall,
33 insofar as they are applicable to state sales and use taxes, be
34 applicable to surcharges imposed under this section.

35 If the tax authorized in RCW 81.100.030 is also imposed, the total
36 proceeds from tax sources imposed under this section and RCW 81.100.030
37 each year shall not exceed the maximum amount which could be collected
38 under this section.

1 **Sec. 3.** RCW 82.44.060 and 1990 c 42 s 304 are each amended to read
2 as follows:

3 ~~((The))~~ Any locally imposed excise tax ~~((hereby imposed))~~ shall be
4 due and payable to the department or its agents at the time of
5 registration of a motor vehicle. Whenever an application is made to
6 the department or its agents for a license for a motor vehicle there
7 shall be collected, in addition to the amount of the license fee or
8 renewal license fee, the amount of ~~((the))~~ any locally imposed excise
9 tax ~~((imposed by this chapter))~~, and no dealer's license or license
10 plates, and no license or license plates for a motor vehicle shall be
11 issued unless such tax is paid in full. ~~((The excise tax hereby~~
12 ~~imposed))~~ Locally imposed excise taxes shall be collected for each
13 registration year. ~~((The))~~ Any locally imposed excise tax upon a motor
14 vehicle licensed for the first time in this state shall be levied for
15 one full registration year commencing on the date of the calendar year
16 designated by the department and ending on the same date of the next
17 succeeding calendar year. For vehicles registered under chapter 46.87
18 RCW, proportional registration, and for vehicle dealer plates issued
19 under chapter 46.70 RCW, the registration year is the period provided
20 in those chapters~~((: PROVIDED, That))~~. However, the tax shall in no
21 case be less than two dollars except for proportionally registered
22 vehicles.

23 A motor vehicle shall be deemed licensed for the first time in this
24 state when such vehicle was not previously licensed by this state for
25 the registration year immediately preceding the registration year in
26 which the application for license is made or when the vehicle has been
27 registered in another jurisdiction subsequent to any prior registration
28 in this state.

29 No additional tax shall be imposed under this chapter upon any
30 vehicle upon the transfer of ownership thereof if the tax imposed with
31 respect to such vehicle has already been paid for the registration year
32 or fraction of a registration year in which transfer of ownership
33 occurs.

34 **Sec. 4.** RCW 82.80.130 and 2003 c 83 s 206 are each amended to read
35 as follows:

36 (1) Public transportation benefit areas authorized to implement
37 passenger-only ferry service under RCW 36.57A.200 whose boundaries (a)

1 are on the Puget Sound, but (b) do not include an area where a regional
2 transit authority has been formed, may submit an authorizing
3 proposition to the voters and, if approved, may levy and collect an
4 excise tax, at a rate approved by the voters, but not exceeding four-
5 tenths of one percent on the value of every motor vehicle owned by a
6 resident of the taxing district, solely for the purpose of providing
7 passenger-only ferry service. The tax must be collected only at the
8 time of vehicle license renewal under chapter 46.16 RCW. The tax will
9 be imposed on vehicles previously registered in another state or nation
10 when they are initially registered in this state. The tax will not be
11 imposed at the time of sale by a licensed vehicle dealer. In a county
12 imposing a motor vehicle excise tax surcharge under RCW 81.100.060, the
13 maximum tax rate under this section must be reduced to a rate equal to
14 four-tenths of one percent on the value less the equivalent motor
15 vehicle excise tax rate of the surcharge imposed under RCW 81.100.060.
16 This rate does not apply to vehicles licensed under RCW 46.16.070 with
17 an unladen weight more than six thousand pounds, or to vehicles
18 licensed under RCW 46.16.079, 46.16.085, or 46.16.090.

19 (2) The department of licensing shall administer and collect the
20 tax in accordance with chapter 82.44 RCW. The department shall deduct
21 a percentage amount, as provided by contract, not to exceed (~~two~~) one
22 percent of the taxes collected, for administration and collection
23 expenses incurred by it. The remaining proceeds must be remitted to
24 the custody of the state treasurer for monthly distribution to the
25 public transportation benefit area.

26 (3) The public transportation benefit area imposing this tax shall
27 delay the effective date at least six months from the date the fee is
28 approved by the qualified voters of the authority area to allow the
29 department of licensing to implement administration and collection of
30 the tax.

31 (4) Before an authority may impose a tax authorized under this
32 section, the authorization for imposition of the tax must be approved
33 by a majority of the qualified electors of the authority area voting on
34 that issue.

35 **Sec. 5.** RCW 82.44.065 and 1990 c 42 s 305 are each amended to read
36 as follows:

37 If the department determines a value for a motor vehicle (~~under~~

1 ~~RCW 82.44.041~~) equivalent to a manufacturer's base suggested retail
2 price or the value of a truck-type power or trailing unit under (~~RCW~~
3 ~~82.44.041(2)~~) section 1 of this act, any person who pays (~~the~~) a
4 locally imposed tax (~~under this chapter~~) for that vehicle may appeal
5 the valuation to the department under chapter 34.05 RCW. If the
6 taxpayer is successful on appeal, the department shall refund the
7 excess tax in the manner provided in RCW 82.44.120.

8 **Sec. 6.** RCW 82.44.090 and 1961 c 15 s 82.44.090 are each amended
9 to read as follows:

10 It shall be unlawful for the county auditor or any other person to
11 issue a dealer's license or dealer's license plates or a license or
12 identification plates with respect to any motor vehicle without
13 collecting, with the required license fee, the amount of (~~the~~) any
14 locally imposed motor vehicle excise tax due (~~thereon under the~~
15 ~~provisions of this chapter~~). Any violation of this section shall
16 constitute a gross misdemeanor.

17 **Sec. 7.** RCW 82.44.100 and 1961 c 15 s 82.44.100 are each amended
18 to read as follows:

19 The county auditor shall give to each person paying (~~the~~) a
20 locally imposed motor vehicle excise tax a receipt therefor which shall
21 sufficiently designate and identify the vehicle with respect to which
22 the tax is paid. (~~Such~~) The receipt may be incorporated in the
23 receipt given for the motor vehicle license fee or dealer's license fee
24 paid.

25 **Sec. 8.** RCW 82.44.120 and 2003 c 53 s 403 are each amended to read
26 as follows:

27 (1) Whenever any person has paid a motor vehicle license fee, and
28 together therewith has paid (~~an~~) a locally imposed excise tax
29 (~~imposed under the provisions of this chapter~~), and the director
30 determines that the payor is entitled to a refund of the entire amount
31 of the license fee as provided by law, then the payor shall also be
32 entitled to a refund of the entire excise tax collected under the
33 provisions of this chapter. In case the director determines that any
34 person is entitled to a refund of only a part of the license fee so

1 paid, the payor shall be entitled to a refund of the difference, if
2 any, between the excise tax collected and that which should have been
3 collected.

4 (2) In case no claim is to be made for the refund of the license
5 fee or any part thereof, but claim is made by any person that he or she
6 has paid an erroneously excessive amount of excise tax, the department
7 shall determine in the manner generally provided in this chapter the
8 amount of such excess, if any, that has been paid and shall certify to
9 the state treasurer that such person is entitled to a refund in such
10 amount.

11 (3) In any case where due to error, a person has been required to
12 pay an excise tax pursuant to this chapter and a vehicle license fee
13 pursuant to Title 46 RCW which amounts to an overpayment of ten dollars
14 or more, such person shall be entitled to a refund of the entire amount
15 of such overpayment, regardless of whether or not a refund of the
16 overpayment has been requested. Conversely, if due to error, the
17 department or its agents has failed to collect the full amount of the
18 license fee and excise tax due, which underpayment is in the amount of
19 ten dollars or more, the department shall charge and collect such
20 additional amount as will constitute full payment of the tax.

21 (4) Any claim for refund of an erroneously excessive amount of
22 excise tax or overpayment of excise tax with a motor vehicle license
23 fee must be filed with the director within three years after the
24 claimed erroneous payment was made.

25 (5) If the department approves the claim it shall notify the state
26 treasurer to that effect, and the treasurer shall make such approved
27 refunds from the general fund and shall mail or deliver the same to the
28 person entitled thereto.

29 (6) Any person making any false statement under which he or she
30 obtains any amount of refund to which he or she is not entitled under
31 the provisions of this section is guilty of a gross misdemeanor.

32 (7) Before a local government subject to this chapter may impose a
33 motor vehicle excise tax, the local government shall contract with the
34 department for reimbursement for any refunds paid to a person by the
35 treasurer.

36 NEW SECTION. Sec. 9. A new section is added to chapter 82.44 RCW
37 to read as follows:

1 Before a local government subject to this chapter may impose a
2 motor vehicle excise tax, the local government must contract with the
3 department for the collection of the tax. The department may charge a
4 reasonable amount, not to exceed one percent of tax collections, for
5 the administration and collection of the tax.

6 NEW SECTION. **Sec. 10.** The following acts or parts of acts are
7 each repealed:

8 (1) RCW 82.44.022 (Credit on personal-use motor vehicle) and 1998
9 c 321 s 2;

10 (2) RCW 82.44.023 (Exemption--Rental cars--Alteration of license
11 plate month and year tabs--Rules--Taxes upon sale) and 1998 c 321 s 38,
12 1998 c 145 s 1, 1994 c 227 s 3, & 1992 c 194 s 8;

13 (3) RCW 82.44.025 (Exemption--Vehicles of Taipei Economic and
14 Cultural Office) and 1998 c 321 s 39 & 1996 c 139 s 3;

15 (4) RCW 82.44.080 (Tax additional) and 1961 c 15 s 82.44.080;

16 (5) RCW 82.44.130 (Ad valorem taxation barred) and 1961 c 15 s
17 82.44.130;

18 (6) RCW 82.44.155 (City police and fire protection assistance
19 account--Distribution to cities and towns--Apportionment) and 1998 c
20 321 s 40, 1993 c 492 s 254, 1991 c 199 s 223, & 1990 c 42 s 309;

21 (7) RCW 82.44.157 (Transfer of funds pursuant to government service
22 agreement) and 1994 c 266 s 14;

23 (8) RCW 82.44.160 (Distribution to municipal research council) and
24 1999 c 309 s 931 & 1995 c 28 s 1; and

25 (9) RCW 82.44.170 (Computation of excise taxes when commingled with
26 licensing fees) and 1990 c 42 s 311, 1987 c 244 s 56, & 1985 c 380 s
27 22.

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