
SENATE BILL 6905

State of Washington 60th Legislature 2008 Regular Session

By Senators Swecker, Roach, and Rasmussen

Read first time 02/01/08. Referred to Committee on Ways & Means.

1 AN ACT Relating to an extension of the commencement-of-construction
2 date for a sales and use tax for public facilities districts in
3 national disaster area counties; reenacting and amending RCW 82.14.390;
4 and providing an effective date.

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

6 **Sec. 1.** RCW 82.14.390 and 2007 c 486 s 2 and 2007 c 6 s 904 are
7 each reenacted and amended to read as follows:

8 (1) Except as provided in subsection (7) of this section, the
9 governing body of a public facilities district (a) created before July
10 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction
11 of a new regional center, or improvement or rehabilitation of an
12 existing new regional center, before January 1, 2004; (b) created
13 before July 1, 2006, under chapter 35.57 RCW in a county or counties in
14 which there are no other public facilities districts on June 7, 2006,
15 and in which the total population in the public facilities district is
16 greater than ninety thousand that commences construction of a new
17 regional center before February 1, 2007; (c) created under the
18 authority of RCW 35.57.010(1)(d); or (d) created before September 1,
19 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in

1 which there are no other public facilities districts on July 22, 2007,
2 and in which the total population in the public facilities district is
3 greater than seventy thousand, that commences construction of a new
4 regional center before January 1, 2009, or before January 1, 2011, in
5 the case of a new regional center in a county designated by the
6 president as a disaster area in December 2007, may impose a sales and
7 use tax in accordance with the terms of this chapter. The tax is in
8 addition to other taxes authorized by law and shall be collected from
9 those persons who are taxable by the state under chapters 82.08 and
10 82.12 RCW upon the occurrence of any taxable event within the public
11 facilities district. The rate of tax shall not exceed 0.033 percent of
12 the selling price in the case of a sales tax or value of the article
13 used in the case of a use tax.

14 (2)(a) The governing body of a public facilities district imposing
15 a sales and use tax under the authority of this section may increase
16 the rate of tax up to 0.037 percent if, within three fiscal years of
17 July 1, 2008, the department determines that, as a result of RCW
18 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020,
19 a public facilities district's sales and use tax collections for fiscal
20 years after July 1, 2008, have been reduced by a net loss of at least
21 0.50 percent from the fiscal year before July 1, 2008. The fiscal year
22 in which this section becomes effective is the first fiscal year after
23 July 1, 2008.

24 (b) The department shall determine sales and use tax collection net
25 losses under this section as provided in RCW 82.14.500 (2) and (3).
26 The department shall provide written notice of its determinations to
27 public facilities districts. Determinations by the department of a
28 public facilities district's sales and use tax collection net losses as
29 a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to
30 RCW 82.14.020 are final and not appealable.

31 (c) A public facilities district may increase its rate of tax after
32 it has received written notice from the department as provided in (b)
33 of this subsection. The increase in the rate of tax must be made in
34 0.001 percent increments and must be the least amount necessary to
35 mitigate the net loss in sales and use tax collections as a result of
36 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW
37 82.14.020. The increase in the rate of tax is subject to RCW
38 82.14.055.

1 (3) The tax imposed under subsection (1) of this section shall be
2 deducted from the amount of tax otherwise required to be collected or
3 paid over to the department of revenue under chapter 82.08 or 82.12
4 RCW. The department of revenue shall perform the collection of such
5 taxes on behalf of the county at no cost to the public facilities
6 district.

7 (4) No tax may be collected under this section before August 1,
8 2000. The tax imposed in this section shall expire when the bonds
9 issued for the construction of the regional center and related parking
10 facilities are retired, but not more than twenty-five years after the
11 tax is first collected.

12 (5) Moneys collected under this section shall only be used for the
13 purposes set forth in RCW 35.57.020 and must be matched with an amount
14 from other public or private sources equal to thirty-three percent of
15 the amount collected under this section, provided that amounts
16 generated from nonvoter approved taxes authorized under chapter 35.57
17 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW
18 shall not constitute a public or private source. For the purpose of
19 this section, public or private sources includes, but is not limited to
20 cash or in-kind contributions used in all phases of the development or
21 improvement of the regional center, land that is donated and used for
22 the siting of the regional center, cash or in-kind contributions from
23 public or private foundations, or amounts attributed to private sector
24 partners as part of a public and private partnership agreement
25 negotiated by the public facilities district.

26 (6) The combined total tax levied under this section shall not be
27 greater than 0.037 percent. If both a public facilities district
28 created under chapter 35.57 RCW and a public facilities district
29 created under chapter 36.100 RCW impose a tax under this section, the
30 tax imposed by a public facilities district created under chapter 35.57
31 RCW shall be credited against the tax imposed by a public facilities
32 district created under chapter 36.100 RCW.

33 (7) A public facilities district created under chapter 36.100 RCW
34 is not eligible to impose the tax under this section if the legislative
35 authority of the county where the public facilities district is located
36 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

1 NEW SECTION. **Sec. 2.** This act takes effect July 1, 2008.

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