
HOUSE BILL 1463

State of Washington 61st Legislature 2009 Regular Session

By Representatives Seaquist, Angel, and Finn

Read first time 01/21/09. Referred to Committee on Finance.

1 AN ACT Relating to the deferral of sales and use taxes due on the
2 state route number 16 corridor improvements project; and amending RCW
3 47.46.060.

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

5 **Sec. 1.** RCW 47.46.060 and 2002 c 114 s 18 are each amended to read
6 as follows:

7 (1) Any person, including the department of transportation and any
8 private entity or entities, may apply for deferral of taxes on the site
9 preparation for, the construction of, the acquisition of any related
10 machinery and equipment which will become a part of, and the rental of
11 equipment for use in the state route number 16 corridor improvements
12 project under this chapter. Application shall be made to the
13 department of revenue in a form and manner prescribed by the department
14 of revenue. The application shall contain information regarding
15 estimated or actual costs, time schedules for completion and operation,
16 and other information required by the department of revenue. The
17 department of revenue shall approve the application within sixty days
18 if it meets the requirements of this section.

1 (2) The department of revenue shall issue a sales and use tax
2 deferral certificate for state and local sales and use taxes due under
3 chapters 82.08, 82.12, and 82.14 RCW on the project.

4 (3) The department of transportation or a private entity granted a
5 tax deferral under this section shall begin paying the deferred taxes
6 in the fifth year after the date certified by the department of revenue
7 as the date on which the project is operationally complete. The first
8 payment is due on December 31st of the fifth calendar year after such
9 certified date, with subsequent annual payments due on December 31st of
10 the following nine years. Each payment shall equal ten percent of the
11 deferred tax. The project is operationally complete under this section
12 when the collection of tolls is commenced for the state route number 16
13 improvements covered by the deferral.

14 (4) The department of revenue may authorize an accelerated
15 repayment schedule upon request of the department of transportation or
16 a private entity granted a deferral under this section.

17 (5) Interest shall not be charged on any taxes deferred under this
18 section for the period of deferral, although all other penalties and
19 interest applicable to delinquent excise taxes may be assessed and
20 imposed for delinquent payments under this section. The debt for
21 deferred taxes is not extinguished by insolvency or other failure of
22 the private entity. Transfer of ownership does not terminate the
23 deferral.

24 (6) Applications and any other information received by the
25 department of revenue under this section are not confidential and are
26 subject to disclosure. Chapter 82.32 RCW applies to the administration
27 of this section.

28 (7) Taxes due under chapters 82.08 and 82.12 RCW on the site
29 preparation for, the construction of, the acquisition of any related
30 machinery and equipment that will become a part of, and the rental of
31 equipment for use in the state route number 16 corridor improvements
32 project for which a deferral has been granted need not be repaid.

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