
ENGROSSED SUBSTITUTE SENATE BILL 6424

State of Washington

61st Legislature

2010 Regular Session

By Senate Ways & Means (originally sponsored by Senators Regala and Fairley; by request of Governor Gregoire)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to local excise tax authorities for counties and
2 cities; amending RCW 82.14.450, 82.14.340, and 9.46.113; amending 2009
3 c 551 s 12 (uncodified); and providing an expiration date.

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

5 **Sec. 1.** RCW 82.14.450 and 2009 c 551 s 1 are each amended to read
6 as follows:

7 (1) A county legislative authority may submit an authorizing
8 proposition to the county voters at a primary or general election and,
9 if the proposition is approved by a majority of persons voting, impose
10 a sales and use tax in accordance with the terms of this chapter. The
11 title of each ballot measure must clearly state the purposes for which
12 the proposed sales and use tax will be used. (~~Funds raised under this
13 tax shall not supplant existing funds used for these purposes, except
14 as follows: Up to one hundred percent may be used to supplant existing
15 funding in calendar year 2010; up to eighty percent may be used to
16 supplant existing funding in calendar year 2011; up to sixty percent
17 may be used to supplant existing funding in calendar year 2012; up to
18 forty percent may be used to supplant existing funding in calendar year
19 2013; and up to twenty percent may be used to supplant existing funding~~)

1 in calendar year 2014. For purposes of this subsection, existing funds
2 means the actual operating expenditures for the calendar year in which
3 the ballot measure is approved by voters. Actual operating
4 expenditures excludes lost federal funds, lost or expired state grants
5 or loans, extraordinary events not likely to reoccur, changes in
6 contract provisions beyond the control of the county or city receiving
7 the services, and major nonrecurring capital expenditures.) The rate
8 of tax under this section may not exceed three-tenths of one percent of
9 the selling price in the case of a sales tax, or value of the article
10 used, in the case of a use tax.

11 (2) The tax authorized in this section is in addition to any other
12 taxes authorized by law and must be collected from those persons who
13 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
14 occurrence of any taxable event within the county.

15 (3) The retail sale or use of motor vehicles, and the lease of
16 motor vehicles for up to the first thirty-six months of the lease, are
17 exempt from tax imposed under this section.

18 (4) One-third of all money received under this section must be used
19 solely for criminal justice purposes, fire protection purposes, or
20 both. For the purposes of this subsection, "criminal justice purposes"
21 has the same meaning as provided in RCW 82.14.340.

22 (5) Money received under this section must be shared between the
23 county and the cities as follows: Sixty percent must be retained by
24 the county and forty percent must be distributed on a per capita basis
25 to cities in the county.

26 **Sec. 2.** RCW 82.14.340 and 1995 c 309 s 1 are each amended to read
27 as follows:

28 (1) The legislative authority of any county may fix and impose a
29 sales and use tax in accordance with the terms of this chapter,
30 provided that such sales and use tax is subject to repeal by
31 referendum, using the procedures provided in RCW 82.14.036. The
32 referendum procedure provided in RCW 82.14.036 is the exclusive method
33 for subjecting any county sales and use tax ordinance or resolution to
34 a referendum vote.

35 (2) The tax authorized in this section (~~shall be~~) is in addition
36 to any other taxes authorized by law and (~~shall~~) must be collected
37 from those persons who are taxable by the state pursuant to chapters

1 82.08 and 82.12 RCW upon the occurrence of any taxable event within
2 such county. The rate of tax (~~shall~~) equals one-tenth of one percent
3 of the selling price (in the case of a sales tax) or value of the
4 article used (in the case of a use tax).

5 (3) When distributing moneys collected under this section, the
6 state treasurer (~~shall~~) must distribute ten percent of the moneys to
7 the county in which the tax was collected. The remainder of the moneys
8 collected under this section (~~shall~~) must be distributed to the
9 county and the cities within the county ratably based on population as
10 last determined by the office of financial management. In making the
11 distribution based on population, the county (~~shall~~) must receive
12 that proportion that the unincorporated population of the county bears
13 to the total population of the county and each city shall receive that
14 proportion that the city incorporated population bears to the total
15 county population.

16 (4) Moneys received from any tax imposed under this section
17 (~~shall~~) must be expended exclusively for criminal justice purposes
18 (~~and shall not be used to replace or supplant existing funding~~).
19 Criminal justice purposes are defined as activities that substantially
20 assist the criminal justice system, which may include circumstances
21 where ancillary benefit to the civil justice system occurs, and which
22 includes domestic violence services such as those provided by domestic
23 violence programs, community advocates, and legal advocates, as defined
24 in RCW 70.123.020. (~~Existing funding for purposes of this subsection
25 is defined as calendar year 1989 actual operating expenditures for
26 criminal justice purposes. Calendar year 1989 actual operating
27 expenditures for criminal justice purposes exclude the following:
28 Expenditures for extraordinary events not likely to reoccur, changes in
29 contract provisions for criminal justice services, beyond the control
30 of the local jurisdiction receiving the services, and major
31 nonrecurring capital expenditures.~~)

32 (5) In the expenditure of funds for criminal justice purposes as
33 provided in this section, cities and counties, or any combination
34 thereof, are expressly authorized to participate in agreements,
35 pursuant to chapter 39.34 RCW, to jointly expend funds for criminal
36 justice purposes of mutual benefit. Such criminal justice purposes of
37 mutual benefit include, but are not limited to, the construction,

1 improvement, and expansion of jails, court facilities, and juvenile
2 justice facilities.

3 **Sec. 3.** RCW 9.46.113 and 1975 1st ex.s. c 166 s 11 are each
4 amended to read as follows:

5 Any county, city, or town (~~which~~) that collects a tax on gambling
6 activities authorized pursuant to RCW 9.46.110 (~~shall~~) must use the
7 revenue from such tax primarily for the purpose of (~~enforcement of the~~
8 ~~provisions of this chapter by the county, city or town law enforcement~~
9 ~~agency~~) public safety.

10 **Sec. 4.** 2009 c 551 s 12 (uncodified) is amended to read as
11 follows:

12 Section(~~s 1 and~~) 2 of this act expires January 1, ((2015)) 2014.

13 NEW SECTION. **Sec. 5.** Section 3 of this act expires January 1,
14 2014.

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