
HOUSE BILL 1574

State of Washington

62nd Legislature

2011 Regular Session

By Representatives Ormsby, Crouse, Billig, Parker, Roberts, Lias, and Sullivan

Read first time 01/26/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to extending the public facility district sales and
2 use tax for certain regional centers; and amending RCW 82.14.390.

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

4 **Sec. 1.** RCW 82.14.390 and 2008 c 48 s 1 are each amended to read
5 as follows:

6 (1) Except as provided in subsection (7) of this section, the
7 governing body of a public facilities district (a) created before July
8 31, 2002, under chapter 35.57 or 36.100 RCW (~~that commences~~
9 ~~construction of a new regional center, or improvement or rehabilitation~~
10 ~~of an existing new regional center, before January 1, 2004)); (b)~~
11 created before July 1, 2006, under chapter 35.57 RCW in a county or
12 counties in which there are no other public facilities districts on
13 June 7, 2006, and in which the total population in the public
14 facilities district is greater than ninety thousand (~~that commences~~
15 ~~construction of a new regional center before February 1, 2007)); (c)~~
16 created under the authority of RCW 35.57.010(1)(d); or (d) created
17 before September 1, 2007, under chapter 35.57 or 36.100 RCW, in a
18 county or counties in which there are no other public facilities
19 districts on July 22, 2007, and in which the total population in the

1 public facilities district is greater than seventy thousand(~~(, that~~
2 ~~commences construction of a new regional center before January 1, 2009,~~
3 ~~or before January 1, 2011))~~), in the case of a new regional center in a
4 county designated by the president as a disaster area in December 2007,
5 may impose a sales and use tax in accordance with the terms of this
6 chapter. The tax is in addition to other taxes authorized by law and
7 shall be collected from those persons who are taxable by the state
8 under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable
9 event within the public facilities district. The rate of tax (~~(shall)~~)
10 may not exceed 0.033 percent of the selling price in the case of a
11 sales tax or value of the article used in the case of a use tax.

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

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

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

37 (3) The tax imposed under subsection (1) of this section (~~(shall)~~)
38 must be deducted from the amount of tax otherwise required to be

1 collected or paid over to the department of revenue under chapter 82.08
2 or 82.12 RCW. The department of revenue (~~shall~~) must perform the
3 collection of such taxes on behalf of the county at no cost to the
4 public facilities district.

5 (4) No tax may be collected under this section before August 1,
6 2000. The tax imposed in this section (~~shall~~) expires when the bonds
7 issued for the construction, improvement, rehabilitation, or expansion
8 of the regional center and related parking facilities are retired, but
9 not more than (~~twenty~~) thirty-five years after the tax is first
10 collected.

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

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

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

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