
HOUSE BILL 2394

State of Washington

62nd Legislature

2012 Regular Session

By Representatives Seaquist and Angel

Read first time 01/13/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to sales and use taxes related to the state route
2 number 16 corridor improvements project; and amending RCW 47.46.060.

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

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

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

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

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

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

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

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

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