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HOUSE BILL 2822

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State of Washington                      62nd Legislature                      2012 1st Special Session

By Representative Hunter; by request of Governor Gregoire and State Treasurer

Read first time 04/03/12. Referred to Committee on Ways & Means.

1            AN ACT Relating to local sales and use tax account deposits and  
2            distributions; and amending RCW 82.14.050.

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

4            **Sec. 1.** RCW 82.14.050 and 2009 c 469 s 107 are each amended to  
5            read as follows:

6            (1) The counties, cities, and transportation authorities under RCW  
7            82.14.045, public facilities districts under chapters 36.100 and 35.57  
8            RCW, public transportation benefit areas under RCW 82.14.440, regional  
9            transportation investment districts, and transportation benefit  
10            districts under chapter 36.73 RCW (~~shall~~) must contract, prior to the  
11            effective date of a resolution or ordinance imposing a sales and use  
12            tax, the administration and collection to the state department of  
13            revenue, which (~~shall~~) must deduct a percentage amount, as provided  
14            by contract, not to exceed two percent of the taxes collected for  
15            administration and collection expenses incurred by the department. The  
16            remainder of any portion of any tax authorized by this chapter that is  
17            collected by the department of revenue (~~shall~~) must be deposited by  
18            the state department of revenue in the local sales and use tax account  
19            hereby created in the state treasury. Beginning January 1, 2013, the

1 department of revenue must make deposits in the local sales and use tax  
2 account on a monthly basis on the last business day of the month in  
3 which distributions required in (a) of this subsection are due. Moneys  
4 in the local sales and use tax account may be withdrawn only for:

5 (a) Distribution to counties, cities, transportation authorities,  
6 public facilities districts, public transportation benefit areas,  
7 regional transportation investment districts, and transportation  
8 benefit districts imposing a sales and use tax; and

9 (b) Making refunds of taxes imposed under the authority of this  
10 chapter and RCW 81.104.170 and exempted under RCW 82.08.962 and  
11 82.12.962.

12 (2) All administrative provisions in chapters 82.03, 82.08, 82.12,  
13 and 82.32 RCW, as they now exist or may hereafter be amended,  
14 (~~shall~~) insofar as they are applicable to state sales and use taxes,  
15 (~~be~~) are applicable to taxes imposed pursuant to this chapter.

16 (3) Counties, cities, transportation authorities, public facilities  
17 districts, and regional transportation investment districts may not  
18 conduct independent sales or use tax audits of sellers registered under  
19 the streamlined sales tax agreement.

20 (4) Except as provided in RCW 43.08.190 and subsection (5) of this  
21 section, all earnings of investments of balances in the local sales and  
22 use tax account (~~shall~~) must be credited to the local sales and use  
23 tax account and distributed to the counties, cities, transportation  
24 authorities, public facilities districts, public transportation benefit  
25 areas, regional transportation investment districts, and transportation  
26 benefit districts monthly.

27 (5) Beginning January 1, 2013, the state treasurer must determine  
28 the amount of earnings on investments that would have been credited to  
29 the local sales and use tax account if the collections had been  
30 deposited in the account over the prior month. When distributions are  
31 made under subsection (1)(a) of this section, the state treasurer must  
32 transfer this amount from the state general fund to the local sales and  
33 use tax account and must distribute such sums to the counties, cities,  
34 transportation authorities, public facilities districts, public  
35 transportation benefit areas, regional transportation investment  
36 districts, and transportation benefit districts.

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