
SENATE BILL 6410

State of Washington

62nd Legislature

2012 Regular Session

By Senators Benton and Prentice

Read first time 01/20/12. Referred to Committee on Transportation.

1 AN ACT Relating to restrictions on the collection of sales tax by
2 transportation benefit districts; amending RCW 82.14.045; adding a new
3 section to chapter 82.14 RCW; and prescribing penalties.

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

5 **Sec. 1.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to read
6 as follows:

7 (1)(a) The legislative body of any city pursuant to RCW 35.92.060,
8 of any county which has created an unincorporated transportation
9 benefit area pursuant to RCW 36.57.100 and 36.57.110, of any public
10 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,
11 of any county transportation authority established pursuant to chapter
12 36.57 RCW, and of any metropolitan municipal corporation within a
13 county with a population of one million or more pursuant to chapter
14 35.58 RCW, may, by resolution or ordinance for the sole purpose of
15 providing funds for the operation, maintenance, or capital needs of
16 public transportation systems or public transportation limited to
17 persons with special needs under RCW 36.57.130 and 36.57A.180, and in
18 lieu of the excise taxes authorized by RCW 35.95.040, submit an
19 authorizing proposition to the voters or include such authorization in

1 a proposition to perform the function of public transportation or
2 public transportation limited to persons with special needs under RCW
3 36.57.130 and 36.57A.180, and if approved by a majority of persons
4 voting thereon, impose a sales and use tax in accordance with the terms
5 of this chapter.

6 (b) Where an authorizing proposition is submitted by a county on
7 behalf of an unincorporated transportation benefit area, it (~~shall~~)
8 must be voted upon by the voters residing within the boundaries of such
9 unincorporated transportation benefit area and, if approved, the sales
10 and use tax (~~shall~~) may be imposed only within such area.

11 (c) Notwithstanding any provisions of this section to the contrary,
12 any county in which a county public transportation plan has been
13 adopted pursuant to RCW 36.57.070 and the voters of such county have
14 authorized the imposition of a sales and use tax pursuant to the
15 provisions of section 10, chapter 167, Laws of 1974 ex. sess., prior to
16 July 1, 1975, (~~shall be~~) is authorized to fix and impose a sales and
17 use tax as provided in this section at not to exceed the rate so
18 authorized without additional approval of the voters of such county as
19 otherwise required by this section.

20 (2) The tax authorized by this section (~~shall be~~) is in addition
21 to the tax authorized by RCW 82.14.030 and (~~shall~~) may be only
22 collected from those persons who reside within the taxing jurisdiction
23 and are taxable by the state under chapters 82.08 and 82.12 RCW upon
24 the occurrence of any taxable event within such city, public
25 transportation benefit area, county, or metropolitan municipal
26 corporation as the case may be. The rate of such tax (~~shall be~~) is
27 one-tenth, two-tenths, three-tenths, four-tenths, five-tenths, six-
28 tenths, seven-tenths, eight-tenths, or nine-tenths of one percent of
29 the selling price (in the case of a sales tax) or value of the article
30 used (in the case of a use tax). There is a presumption that a person
31 making a retail purchase within the district resides in the district
32 and the purchaser may overcome such presumption by furnishing proof of
33 nonresidence as provided for in section 2 of this act. The rate of
34 such tax (~~shall~~) may not exceed the rate authorized by the voters
35 unless such increase (~~shall be~~) is similarly approved.

36 ((+2)) (3)(a) In the event a metropolitan municipal corporation
37 imposes a sales and use tax pursuant to this chapter no city, county
38 which has created an unincorporated transportation benefit area, public

1 transportation benefit area authority, or county transportation
2 authority wholly within such metropolitan municipal corporation (~~shall~~
3 ~~be~~) is empowered to impose and/or collect taxes under RCW 35.95.040 or
4 this section, but nothing (~~herein shall~~) in this section prevents
5 such city or county from imposing sales and use taxes pursuant to any
6 other authorization.

7 (b) In the event a county transportation authority imposes a sales
8 and use tax under this section, no city, county which has created an
9 unincorporated transportation benefit area, public transportation
10 benefit area, or metropolitan municipal corporation, located within the
11 territory of the authority, (~~shall be~~) is empowered to impose or
12 collect taxes under RCW 35.95.040 or this section.

13 (c) In the event a public transportation benefit area imposes a
14 sales and use tax under this section, no city, county which has created
15 an unincorporated transportation benefit area, or metropolitan
16 municipal corporation, located wholly or partly within the territory of
17 the public transportation benefit area, (~~shall be~~) is empowered to
18 impose or collect taxes under RCW 35.95.040 or this section.

19 NEW SECTION. Sec. 2. A new section is added to chapter 82.14 RCW
20 to read as follows:

21 (1) Any person claiming that they are not subject to the portion of
22 the retail sales tax imposed under RCW 82.14.045 must display proof of
23 his or her current nonresident status at the time of the transaction in
24 one of the following ways:

25 (a) A person may provide the seller with one piece of
26 identification such as a valid driver's license or identification card
27 that has a photograph of the holder and a residential address outside
28 of the transportation benefit district;

29 (b) A person may provide the seller with an exemption certificate
30 in compliance with subsection (2)(a)(ii) of this section.

31 (2)(a) If the vendor chooses to make a sale to a nonresident
32 without collecting the sales tax, the vendor must complete one of the
33 following:

34 (i) Examine the purchaser's proof of nonresidence, determine
35 whether the proof is acceptable under subsection (1)(a) of this
36 section, and maintain records for each nontaxable sale that shows the

1 type of proof accepted, including any identification numbers where
2 appropriate, and the expiration date, if any.

3 (ii) Obtain from the purchaser a properly completed uniform
4 exemption certificate approved by the streamlined sales and use tax
5 agreement governing board or any other exemption certificate as may be
6 authorized by the department and properly completed by the purchaser.
7 A nonresident purchaser who uses an exemption certificate authorized in
8 this subsection must include the purchaser's driver's license number or
9 state-issued identification number and the state of issuance.

10 (b) In lieu of using the methods provided in (a)(i) and (ii) of
11 this subsection to document an exempt sale to a nonresident, a seller
12 may capture the relevant data elements as allowed under the streamlined
13 sales and use tax agreement.

14 (3)(a) Any person making fraudulent statements, which includes the
15 offer of fraudulent identification or fraudulently procured
16 identification to a vendor, in order to purchase goods without paying
17 retail sales tax is guilty of perjury under chapter 9A.72 RCW.

18 (b) Any person making tax exempt purchases under this section by
19 displaying proof of identification not his or her own, or counterfeit
20 identification, with intent to violate the provisions of this section
21 is guilty of a misdemeanor and, in addition, is liable for the tax and
22 subject to a penalty equal to the greater of one hundred dollars or the
23 tax due on such purchases.

24 (4)(a) Any vendor who makes sales without collecting the tax and
25 who fails to maintain records of sales to nonresidents as provided in
26 this section is personally liable for the amount of tax due.

27 (b) Any vendor who makes sales without collecting the retail sales
28 tax under this section and who has actual knowledge that the
29 purchaser's proof of identification establishing out-of-state residency
30 is fraudulent is guilty of a misdemeanor and, in addition, is liable
31 for the tax and subject to a penalty equal to the greater of one
32 thousand dollars or the tax due on such sales. In addition, both the
33 purchaser and the vendor are liable for any penalties and interest
34 assessable under chapter 82.32 RCW.

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