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HOUSE BILL 1995

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State of Washington

64th Legislature

2015 Regular Session

By Representative Ryu

Read first time 02/05/15. Referred to Committee on Transportation.

1 AN ACT Relating to a new studded tire fee; adding a new section  
2 to chapter 46.37 RCW; prescribing penalties; and providing an  
3 effective date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 46.37  
6 RCW to read as follows:

7 (1)(a) In addition to all other fees imposed on the retail sale  
8 of tires, a five dollar fee is imposed on the retail sale of each new  
9 tire sold that contains studs. For the purposes of this subsection,  
10 "new tire sold that contains studs" means a tire that is manufactured  
11 for vehicle purposes and contains metal studs, and does not include  
12 bicycle tires or retreaded vehicle tires.

13 (b) The five dollar fee must be paid by the buyer to the seller,  
14 and each seller must collect from the buyer the full amount of the  
15 fee. The fee collected from the buyer by the seller must be paid to  
16 the department of revenue in accordance with RCW 82.32.045; however,  
17 the seller retains ten percent of the fee collected.

18 (c) The portion of the fee paid to the department of revenue  
19 under (b) of this subsection must be deposited in the motor vehicle  
20 fund created under RCW 46.68.070.

1 (2) The fee to be collected by the seller, less the ten percent  
2 that the seller retains as specified in subsection (1)(b) of this  
3 section, must be held in trust by the seller until paid to the  
4 department of revenue, and any seller who appropriates or converts  
5 the fee collected to any use other than the payment of the fee on the  
6 due date is guilty of a gross misdemeanor.

7 (3) Any seller that fails to collect the fee imposed under this  
8 section or, having collected the fee, fails to pay it to the  
9 department of revenue by the date due, whether such failure is the  
10 result of the seller or the result of acts or conditions beyond the  
11 seller's control, is personally liable to the state for the amount of  
12 the fee.

13 (4) The amount of the fee, until paid by the buyer to the seller  
14 or to the department of revenue, constitutes a debt from the buyer to  
15 the seller. Any seller who fails or refuses to collect the fee as  
16 required with the intent to violate this section or to gain some  
17 advantage or benefit and any buyer who refuses to pay the fee due is  
18 guilty of a misdemeanor.

19 (5) The department of revenue must collect on the business excise  
20 tax return from the businesses selling new tires that contain studs  
21 at retail the number of tires sold and the fee imposed under this  
22 section. The department of revenue must incorporate into its audit  
23 cycle a reconciliation of the number of tires sold and the amount of  
24 revenue collected by the businesses selling new tires that contain  
25 studs.

26 (6) All other applicable provisions of chapter 82.32 RCW have  
27 full force and application with respect to the fee imposed under this  
28 section.

29 (7) The department of revenue must administer this section.

30 NEW SECTION. **Sec. 2.** This act takes effect January 1, 2016.

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