

**SHB 2182 - H AMD 549**

By Representative DeBolt

NOT ADOPTED 04/12/2017

1 On page 1, beginning on line 10, after "otherwise in" strike  
2 "subsection (2)" and insert "subsections (2) and (6)"

3 On page 1, line 13, after "2025," insert "for hazardous  
4 substances, excluding aircraft fuel as defined in RCW 82.42.010  
5 purchased by an air carrier domiciled in Washington,"

6 On page 2, line 30, after "changes in" strike "subsection (2)"  
7 and insert "subsections (2) and (6)"

8 On page 2, line 32, after "under" strike "subsection (2)(a), (b),  
9 and (c)" and insert "subsections (2)(a), (b), and (c) and (6)(a) or  
10 (b)"

11 On page 2, beginning on line 35, after "pursuant to" strike  
12 "subsection (2)(a), (b), or (c)" and insert "subsections (2)(a), (b),  
13 and (c) and (6)(a) or (b)"

14 On page 3, after line 4, insert the following:

15 "(6) From July 1, 2017, through June 30, 2025, for aircraft fuel  
16 as defined in RCW 82.42.010 purchased by an air carrier domiciled in  
17 Washington, the rate of the tax is:

18 (a) Beginning on July 1st of each fiscal year, 0.7 percent  
19 multiplied by the wholesale value of the substance until the  
20 department determines that total aggregate taxes for the current  
21 fiscal year collected pursuant to this section equal or exceed one  
22 hundred seventy million dollars. This rate applies until the rate in  
23 (b) of this subsection (6) takes effect as provided in subsection (4)  
24 of this section; and

25 (b) 0.21 percent multiplied by the wholesale value of the  
26 substance when the department determines that total aggregate taxes  
27 for the current fiscal year collected pursuant to this section equal  
28 or exceed one hundred seventy million dollars. This rate applies  
29 until the first day of the next fiscal year.

1 (7)(a) By July 1, 2019, the department must increase the revenue  
2 thresholds provided in subsection (6)(a) and (b) of this section by  
3 the most current fiscal growth factor for the fiscal year ending June  
4 30, 2019, as computed by the state expenditure limit committee  
5 according to RCW 43.135.025.

6 (b) By July 1, 2021, the department must increase the revenue  
7 thresholds provided in subsection (6)(a) and (b) of this section, as  
8 adjusted in (a) of this subsection (7), by the most current fiscal  
9 growth factor for the fiscal year ending June 30, 2021, as computed  
10 by the state expenditure limit committee according to RCW 43.135.025.

11 (c) By July 1, 2023, the department must increase the revenue  
12 thresholds provided in subsection (6)(a) and (b) of this section, as  
13 adjusted in (a) and (b) of this subsection (7), by the most current  
14 fiscal growth factor for the fiscal year ending June 30, 2023, as  
15 computed by the state expenditure limit committee according to RCW  
16 43.135.025."

EFFECT: Excludes aircraft fuel purchased by air carriers domiciled in Washington from the hazardous substance tiered tax rates. The tiered tax rates start at 0.9 percent and change to 0.7 percent, and then 0.21 percent, based on specified thresholds with adjustments and annual tax collections.

Sets the hazardous substance tax rate for aircraft fuel purchased by air carriers domiciled in Washington at 0.7 percent until annual tax collections reach a 170 million dollar threshold with adjustments. After the threshold is met, the rate changes to 0.21 percent for the remaining part of the fiscal year.

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