

ESSB 5955 - H AMD TO TR COMM AMD (H-5153.1/18) **1383**
By Representative Young

1 On page 3, after line 27 of the amendment, insert the following:

2 "Sec. 5. RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each
3 amended to read as follows:

4 (1) Regional transit authorities that include a county with a
5 population of more than one million five hundred thousand may submit
6 an authorizing proposition to the voters, and if approved, may levy
7 and collect an excise tax, at a rate approved by the voters, but not
8 exceeding eight-tenths of one percent on the value, under chapter
9 82.44 RCW, of every motor vehicle owned by a resident of the taxing
10 district, solely for the purpose of providing high capacity
11 transportation service. The maximum tax rate under this subsection
12 does not include a motor vehicle excise tax approved before July 15,
13 2015, if the tax will terminate on the date bond debt to which the
14 tax is pledged is repaid. This tax does not apply to vehicles
15 licensed under RCW 46.16A.455 except vehicles with an unladen weight
16 of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2).
17 (~~Notwithstanding any other provision of this subsection or chapter~~
18 ~~82.44 RCW, a motor vehicle excise tax imposed by a regional transit~~
19 ~~authority before or after July 15, 2015, must comply with chapter~~
20 ~~82.44 RCW as it existed on January 1, 1996, until December 31st of~~
21 ~~the year in which the regional transit authority repays bond debt to~~
22 ~~which a motor vehicle excise tax was pledged before July 15, 2015.~~
23 ~~Motor vehicle taxes collected by regional transit authorities after~~
24 ~~December 31st of the year in which a regional transit authority~~
25 ~~repays bond debt to which a motor vehicle excise tax was pledged~~
26 ~~before July 15, 2015, must comply with chapter 82.44 RCW as it~~
27 ~~existed on the date the tax was approved by voters.))~~

28 (2) An agency and high capacity transportation corridor area may
29 impose a sales and use tax solely for the purpose of providing high
30 capacity transportation service, in addition to the tax authorized by
31 RCW 82.14.030, upon retail car rentals within the applicable
32 jurisdiction that are taxable by the state under chapters 82.08 and

1 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of
2 tax imposed under this subsection must bear the same ratio of the
3 2.172 percent authorized that the rate imposed under subsection (1)
4 of this section bears to the rate authorized under subsection (1) of
5 this section. The base of the tax is the selling price in the case of
6 a sales tax or the rental value of the vehicle used in the case of a
7 use tax.

8 (3) Any motor vehicle excise tax previously imposed under the
9 provisions of RCW 81.104.160(1) shall be repealed, terminated, and
10 expire on December 5, 2002, except for a motor vehicle excise tax for
11 which revenues have been contractually pledged to repay a bonded debt
12 issued before December 5, 2002, as determined by *Pierce County et al.*
13 *v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds
14 that were previously issued, the motor vehicle excise tax must comply
15 with chapter 82.44 RCW as it existed on January 1, 1996.

16 (4) If a regional transit authority imposes the tax authorized
17 under subsection (1) of this section, the authority may not receive
18 any state grant funds provided in an omnibus transportation
19 appropriations act except transit coordination grants created in
20 chapter 11, Laws of 2015 3rd sp. sess.

21 NEW SECTION. **Sec. 6.** A new section is added to chapter 82.44
22 RCW to read as follows:

23 (1) For the purpose of determining any motor vehicle excise tax
24 otherwise authorized by law, and except as provided in this section,
25 any taxing district imposing a motor vehicle excise tax must set a
26 vehicle's taxable value to be the latest purchase price of the
27 vehicle. The purchase price must be determined by the bill of sale
28 provided by the buyer and seller, subject to the exemptions,
29 exceptions, and definitions provided by this section.

30 (2) For the purpose of determining the tax under this chapter,
31 the taxable value of a truck-type power or trailing unit, or motor
32 vehicle, including a passenger vehicle, motorcycle, motor home, sport
33 utility vehicle, or light duty truck, must be the latest purchase
34 price of the vehicle, excluding applicable federal excise taxes,
35 state and local sales or use taxes, transportation or shipping costs,
36 or preparatory or delivery costs.

37 (3) The reissuance of title and registration for a truck-type
38 power or trailing unit or motor vehicle, including a passenger
39 vehicle, motorcycle, motor home, sport utility vehicle, or light duty

1 truck because of the installation of body or special equipment, must
2 be treated as a sale, and the latest purchase price of the truck-type
3 power or trailing unit or motor vehicle, including a passenger
4 vehicle, motorcycle, motor home, sport utility vehicle, or light duty
5 truck at that time, as determined by the department from such
6 information as may be available, must be considered its taxable
7 value.

8 (4) If the purchase price is unavailable or otherwise
9 unascertainable or the reissuance of title and registration is the
10 result of a gift or inheritance, the department must determine a
11 taxable value that is equivalent to the latest purchase price by
12 using the Kelley blue book. If a value equivalent using the Kelley
13 blue book cannot be determined, the department may use any other
14 guidebook, report, or compendium of recognized standing in the
15 automotive industry to establish the value equivalent.

16 (5) For purposes of this section, "value" excludes value
17 attributable to modifications of a motor vehicle and equipment that
18 are designed to facilitate the use or operation of the motor vehicle
19 by a person with a disability.

20 **Sec. 7.** RCW 82.44.035 and 2010 c 161 s 910 are each amended to
21 read as follows:

22 (1) For the sole purpose of determining (~~any locally imposed~~
23 ~~motor vehicle excise tax~~) the market value adjustment program credit
24 under sections 3 and 4 of this act, the value of a truck or trailer
25 shall be the latest purchase price of the vehicle, excluding
26 applicable federal excise taxes, state and local sales or use taxes,
27 transportation or shipping costs, or preparatory or delivery costs,
28 multiplied by the following percentage based on year of service of
29 the vehicle since last sale. The latest purchase year shall be
30 considered the first year of service.

31	YEAR OF SERVICE	PERCENTAGE
32	1	100
33	2	81
34	3	67
35	4	55
36	5	45
37	6	37

	YEAR OF SERVICE	PERCENTAGE
2		
1	7	30
3	8	25
4	9	20
5	10	16
6	11	13
7	12	11
8	13	9
9	14	7
10	15	3
11	16 or older	0

12 (2) The reissuance of a certificate of title and registration
13 certificate for a truck or trailer because of the installation of
14 body or special equipment shall be treated as a sale, and the value
15 of the truck or trailer at that time, as determined by the department
16 from such information as may be available, shall be considered the
17 latest purchase price.

18 (3) For the sole purpose of determining (~~any locally imposed~~
19 ~~motor vehicle excise tax~~) the market value adjustment program credit
20 under sections 3 and 4 of this act, the value of a vehicle other than
21 a truck or trailer shall be eighty-five percent of the manufacturer's
22 base suggested retail price of the vehicle when first offered for
23 sale as a new vehicle, excluding any optional equipment, applicable
24 federal excise taxes, state and local sales or use taxes,
25 transportation or shipping costs, or preparatory or delivery costs,
26 multiplied by the applicable percentage listed in this subsection (3)
27 based on year of service of the vehicle.

28 If the manufacturer's base suggested retail price is unavailable
29 or otherwise unascertainable at the time of initial registration in
30 this state, the department shall determine a value equivalent to a
31 manufacturer's base suggested retail price as follows:

32 (a) The department shall determine a value using any information
33 that may be available, including any guidebook, report, or compendium
34 of recognized standing in the automotive industry or the selling
35 price and year of sale of the vehicle. The department may use an
36 appraisal by the county assessor. In valuing a vehicle for which the
37 current value or selling price is not indicative of the value of

1 similar vehicles of the same year and model, the department shall
2 establish a value that more closely represents the average value of
3 similar vehicles of the same year and model. The value determined in
4 this subsection (3)(a) shall be divided by the applicable percentage
5 listed in (b) of this subsection (3) to establish a value equivalent
6 to a manufacturer's base suggested retail price and this value shall
7 be multiplied by eighty-five percent.

8 (b) The year the vehicle is offered for sale as a new vehicle
9 shall be considered the first year of service.

10	YEAR OF SERVICE	PERCENTAGE
11	1	100
12	2	81
13	3	72
14	4	63
15	5	55
16	6	47
17	7	41
18	8	36
19	9	32
20	10	27
21	11	26
22	12	24
23	13	23
24	14	21
25	15	16
26	16 or older	10

27 (4) For purposes of this chapter, value shall exclude value
28 attributable to modifications of a vehicle and equipment that are
29 designed to facilitate the use or operation of the vehicle by a
30 person with a disability.

31 (5) The provisions in this section are for the sole purpose of
32 calculating the market value adjustment program credit under sections
33 3 and 4 of this act.

1 **Sec. 8.** RCW 82.44.065 and 2010 c 161 s 912 are each amended to
2 read as follows:

3 If the department determines a value for a vehicle (~~equivalent~~
4 ~~to a manufacturer's base suggested retail price or the value of a~~)
5 truck, or trailer under (~~RCW 82.44.035~~) section 6 of this act, any
6 person who pays a locally imposed tax for that vehicle may appeal the
7 valuation to the department under chapter 34.05 RCW. If the taxpayer
8 is successful on appeal, the department shall refund the excess tax
9 in the manner provided in RCW 82.44.120."

10 Renumber the remaining sections consecutively, correct any
11 internal references accordingly, and correct the title.

EFFECT: Removes the provision that requires a regional transit authority to use the depreciation schedule that is currently used for the motor vehicle excise tax that is collected for the regional transit authority. Requires the valuation of the vehicle to be the most recent purchase price of the vehicle, if known, or the Kelley Blue Book value otherwise.

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