

ESSB 6106 - H AMD TO H AMD (H-5049.1/18) **1214**
By Representative Harmsworth

SCOPE AND OBJECT 02/27/2018

1 On page 94, after line 22 of the amendment, insert the following:

2 "Sec. 702. 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 Except as provided below during the 2017-2019 fiscal biennium, and
18 notwithstanding any other provision of this subsection or chapter
19 82.44 RCW, a motor vehicle excise tax imposed by a regional transit
20 authority before or after July 15, 2015, must comply with chapter
21 82.44 RCW as it existed on January 1, 1996, until December 31st of
22 the year in which the regional transit authority repays bond debt to
23 which a motor vehicle excise tax was pledged before July 15, 2015.
24 Motor vehicle taxes collected by regional transit authorities after
25 December 31st of the year in which a regional transit authority
26 repays bond debt to which a motor vehicle excise tax was pledged
27 before July 15, 2015, must comply with chapter 82.44 RCW as it
28 existed on the date the tax was approved by voters. With respect to
29 bond debt incurred during the 2017-2019 fiscal biennium, and to which
30 the motor vehicle excise tax is pledged, the tax must be based on
31 base model Kelley blue book values during the 2017-2019 fiscal
32 biennium.

1 (2) An agency and high capacity transportation corridor area may
2 impose a sales and use tax solely for the purpose of providing high
3 capacity transportation service, in addition to the tax authorized by
4 RCW 82.14.030, upon retail car rentals within the applicable
5 jurisdiction that are taxable by the state under chapters 82.08 and
6 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of
7 tax imposed under this subsection must bear the same ratio of the
8 2.172 percent authorized that the rate imposed under subsection (1)
9 of this section bears to the rate authorized under subsection (1) of
10 this section. The base of the tax is the selling price in the case of
11 a sales tax or the rental value of the vehicle used in the case of a
12 use tax.

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14 provisions of RCW 81.104.160(1) shall be repealed, terminated, and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

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

26 **Sec. 703.** RCW 82.44.035 and 2010 c 161 s 910 are each amended to
27 read as follows:

28 (1) For the purpose of determining any locally imposed motor
29 vehicle excise tax, except as provided in RCW 81.104.160 during the
30 2017-2019 fiscal biennium, the value of a truck or trailer shall be
31 the latest purchase price of the vehicle, excluding applicable
32 federal excise taxes, state and local sales or use taxes,
33 transportation or shipping costs, or preparatory or delivery costs,
34 multiplied by the following percentage based on year of service of
35 the vehicle since last sale. The latest purchase year shall be
36 considered the first year of service.

37	YEAR OF SERVICE	PERCENTAGE
38	1	100

	YEAR OF SERVICE	PERCENTAGE
2		
1	2	81
3	3	67
4	4	55
5	5	45
6	6	37
7	7	30
8	8	25
9	9	20
10	10	16
11	11	13
12	12	11
13	13	9
14	14	7
15	15	3
16	16 or older	0

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

23 (3) For the purpose of determining any locally imposed motor
24 vehicle excise tax, except as provided in RCW 81.104.160 during the
25 2017-2019 fiscal biennium, the value of a vehicle other than a truck
26 or trailer shall be eighty-five percent of the manufacturer's base
27 suggested retail price of the vehicle when first offered for sale as
28 a new vehicle, excluding any optional equipment, applicable federal
29 excise taxes, state and local sales or use taxes, transportation or
30 shipping costs, or preparatory or delivery costs, multiplied by the
31 applicable percentage listed in this subsection (3) based on year of
32 service of the vehicle.

33 If the manufacturer's base suggested retail price is unavailable
34 or otherwise unascertainable at the time of initial registration in

1 this state, the department shall determine a value equivalent to a
2 manufacturer's base suggested retail price as follows:

3 (a) The department shall determine a value using any information
4 that may be available, including any guidebook, report, or compendium
5 of recognized standing in the automotive industry or the selling
6 price and year of sale of the vehicle. The department may use an
7 appraisal by the county assessor. In valuing a vehicle for which the
8 current value or selling price is not indicative of the value of
9 similar vehicles of the same year and model, the department shall
10 establish a value that more closely represents the average value of
11 similar vehicles of the same year and model. The value determined in
12 this subsection (3)(a) shall be divided by the applicable percentage
13 listed in (b) of this subsection (3) to establish a value equivalent
14 to a manufacturer's base suggested retail price and this value shall
15 be multiplied by eighty-five percent.

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

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

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

5 Renumber the remaining section consecutively and correct the
6 title.

EFFECT: Requires that bond debt incurred by certain regional transit authorities during the 2017-2019 fiscal biennium that pledges motor vehicle excise taxes must base that tax on base model Kelley Blue Book values.

FISCAL IMPACT: No net change to appropriated levels.

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