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HOUSE BILL 1175

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State of Washington

65th Legislature

2017 Regular Session

By Representatives Muri and Ryu

Read first time 01/12/17. Referred to Committee on Finance.

1 AN ACT Relating to increasing the rate of sales and use tax that  
2 may be imposed by certain transportation benefit districts; amending  
3 RCW 82.14.0455; and providing an effective date.

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

5 **Sec. 1.** RCW 82.14.0455 and 2010 c 105 s 3 are each amended to  
6 read as follows:

7 (1)(a) Subject to the provisions in RCW 36.73.065, a  
8 transportation benefit district under chapter 36.73 RCW may fix and  
9 impose a sales and use tax in accordance with the terms of this  
10 chapter. The tax authorized in this section is in addition to any  
11 other taxes authorized by law and shall be collected from those  
12 persons who are taxable by the state under chapters 82.08 and 82.12  
13 RCW upon the occurrence of any taxable event within the boundaries of  
14 the district. Except as allowed in (b) of this subsection, the rate  
15 of tax shall not exceed two-tenths of one percent of the selling  
16 price in the case of a sales tax, or value of the article used, in  
17 the case of a use tax. Except as provided in subsection (2) of this  
18 section, the tax may not be imposed for a period exceeding ten years.  
19 This tax, if not imposed under the conditions of subsection (2) of  
20 this section, may be extended for a period not exceeding ten years  
21 with an affirmative vote of the voters voting at the election.

1       (b) The rate of tax imposed by a transportation benefit district  
2 established by a city with a population between seven thousand five  
3 hundred and twenty thousand that borders the Puget Sound and an  
4 interstate freeway and is located in a county with a population  
5 between seven hundred thousand and one million five hundred thousand  
6 that also contains a city with a population of more than one hundred  
7 fifty thousand may not exceed the lessor of the sales and use tax  
8 imposed by a public transportation benefit area located in the same  
9 county or nine-tenths of one percent of the selling price in the case  
10 of a sales tax, or value of the article used, in the case of a use  
11 tax.

12       (2) The voter-approved sales tax initially imposed under this  
13 section after July 1, 2010, may be imposed for a period exceeding ten  
14 years if the moneys received under this section are dedicated for the  
15 repayment of indebtedness incurred in accordance with the  
16 requirements of chapter 36.73 RCW.

17       (3) Money received from the tax imposed under this section must  
18 be spent in accordance with the requirements of chapter 36.73 RCW.

19       NEW SECTION. Sec. 2. This act takes effect August 1, 2017.

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