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**SENATE BILL 6671**

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**State of Washington**

**66th Legislature**

**2020 Regular Session**

**By** Senators Van De Wege, Salomon, Takko, and McCoy

1 AN ACT Relating to authorizing the department of revenue to  
2 collect tribal timber harvest excise tax under a timber harvest  
3 excise tax agreement authorized in chapter 43.06 RCW; amending RCW  
4 84.33.081; and adding a new section to chapter 84.33 RCW.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 84.33  
7 RCW to read as follows:

8 (1) Upon a tribe's request, the department may administer and  
9 collect the tribal tax subject to a timber harvest excise tax  
10 agreement authorized under chapter 43.06 RCW. In order for the  
11 department to perform such duties, a provision allowing the  
12 department to be reimbursed for collection and administration  
13 activities on behalf of the tribe must be included in the timber  
14 harvest excise tax agreement.

15 (2) The department's reimbursement under this section must be the  
16 tribe's proportionate share of the legislature's appropriations to  
17 the department for its collection and administration activities under  
18 this chapter. Such reimbursement must be consistent with the  
19 department's reimbursement for performing equivalent collection and  
20 administration activities on behalf of a county under RCW  
21 84.33.051(2).

1       **Sec. 2.** RCW 84.33.081 and 2007 c 69 s 5 are each amended to read  
2 as follows:

3       (1) On the last business day of the second month of each calendar  
4 quarter, the state treasurer shall distribute from the timber tax  
5 distribution account to each county the amount of tax collected on  
6 behalf of each county under RCW 84.33.051, less each county's  
7 proportionate share of appropriations for collection and  
8 administration activities under RCW 84.33.051, and shall transfer to  
9 the state general fund the amount of tax collected on behalf of the  
10 state under RCW 84.33.041, less the amount of the distribution under  
11 subsection (7) of this section and the state's proportionate share of  
12 appropriations for collection and administration activities under RCW  
13 84.33.041. The county treasurer shall deposit moneys received under  
14 this section in a county timber tax account which shall be  
15 established by each county. Following receipt of moneys under this  
16 section, the county treasurer shall make distributions from any  
17 moneys available in the county timber tax account to taxing districts  
18 in the county, except the state, under subsections (2) through (4) of  
19 this section.

20       (2) From moneys available, there first shall be a distribution to  
21 each taxing district having debt service payments due during the  
22 calendar year, based upon bonds issued under authority of a vote of  
23 the people conducted pursuant to RCW 84.52.056 and based upon excess  
24 levies for a capital project fund authorized pursuant to RCW  
25 84.52.053, of an amount equal to the timber assessed value of the  
26 district multiplied by the tax rate levied for payment of the debt  
27 service and capital projects: PROVIDED, That in respect to levies for  
28 a debt service or capital project fund authorized before July 1,  
29 1984, the amount allocated shall not be less than an amount equal to  
30 the same percentage of such debt service or capital project fund  
31 represented by timber tax allocations to such payments in calendar  
32 year 1984. Distribution under this subsection (2) shall be used only  
33 for debt service and capital projects payments. The distribution  
34 under this subsection shall be made as follows: One-half of such  
35 amount shall be distributed in the first quarter of the year and one-  
36 half shall be distributed in the third quarter of the year.

37       (3) From the moneys remaining after the distributions under  
38 subsection (2) of this section, the county treasurer shall distribute  
39 to each school district an amount equal to one-half of the timber  
40 assessed value of the district or eighty percent of the timber roll

1 of such district in calendar year 1983 as determined under this  
2 chapter, whichever is greater, multiplied by the tax rate, if any,  
3 levied by the district under RCW 84.52.052 or 84.52.053 for purposes  
4 other than debt service payments and capital projects supported under  
5 subsection (2) of this section. The distribution under this  
6 subsection shall be made as follows: One-half of such amount shall be  
7 distributed in the first quarter of the year and one-half shall be  
8 distributed in the third quarter of the year.

9 (4) After the distributions directed under subsections (2) and  
10 (3) of this section, if any, each taxing district shall receive an  
11 amount equal to the timber assessed value of the district multiplied  
12 by the tax rate, if any, levied as a regular levy of the district or  
13 as a special levy not included in subsection (2) or (3) of this  
14 section.

15 (5) If there are insufficient moneys in the county timber tax  
16 account to make full distribution under subsection (4) of this  
17 section, the county treasurer shall multiply the amount to be  
18 distributed to each taxing district under that subsection by a  
19 fraction. The numerator of the fraction is the county timber tax  
20 account balance before making the distribution under that subsection.  
21 The denominator of the fraction is the account balance which would be  
22 required to make full distribution under that subsection.

23 (6) After making the distributions under subsections (2) through  
24 (4) of this section in the full amount indicated for the calendar  
25 year, the county treasurer shall place any excess revenue up to  
26 twenty percent of the total distributions made for the year under  
27 subsections (2) through (4) of this section in a reserve status until  
28 the beginning of the next calendar year. Any moneys remaining in the  
29 county timber tax account after this amount is placed in reserve  
30 shall be distributed to each taxing district in the county in the  
31 same proportions as the distributions made under subsection (4) of  
32 this section.

33 (7) (a) On the last business day of the second month of each  
34 calendar quarter, the state treasurer shall distribute from the  
35 timber tax distribution account to each county an amount of tax  
36 collected by the state under RCW 84.33.041 equal to the amount of any  
37 tribal tax credited against the county's tax under an agreement  
38 entered into under RCW 43.06.480.

39 (b) On the last business day of the second month of each calendar  
40 quarter, the state treasurer must distribute from the timber tax

1 distribution account to a tribe the amount of tribal timber harvest  
2 excise tax collected by the department on behalf of the tribe during  
3 the immediately preceding calendar quarter pursuant to an agreement  
4 under chapter 43.06 RCW, less the tribe's proportionate share of  
5 appropriations for collection and administration activities under  
6 section 1 of this act.

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