

SENATE BILL REPORT

HB 2024

As Reported by Senate Committee On:
Transportation, March 5, 2022

Title: An act relating to a sales and use tax deferral for projects to improve the state route number 520 corridor.

Brief Description: Concerning a sales and use tax deferral for projects to improve the state route number 520 corridor.

Sponsors: Representatives Fey, Valdez, Macri and Pollet.

Brief History: Passed House: 2/26/22, 92-3.

Committee Activity: Transportation: 3/05/22.

Brief Summary of Bill

- Extends the deferral period for sales and use taxes associated with the State Route 520 Bridge Replacement and High-Occupancy Vehicle project from five years after project completion to 24 years after project completion.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Daniel Masterson (786-7454)

Background: The original Evergreen Point floating bridge was a toll bridge across Lake Washington that opened to traffic in 1963, with two general-purpose lanes in each direction. The replacement floating bridge, which opened to traffic in 2016, was constructed by the State Route 520 Bridge Replacement and High-Occupancy Vehicle (HOV) project.

State and local sales and use tax due on site acquisition, construction, and equipment related to the State Route 520 Bridge Replacement and HOV project may be deferred until the fifth

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calendar year after the project is operationally complete, and is then due in equal yearly installments over the next decade. These payments are currently scheduled to begin by the end of 2022.

Summary of Bill: The deferral period for sales and use taxes associated with the State Route 520 Bridge Replacement and HOV project is extended from the fifth calendar year after completion of the project to the twenty-fourth year after completion.

The bill is exempt from the requirements related to tax preference expiration and performance statements.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on July 1, 2022.