

SENATE BILL REPORT

SB 5341

As of January 29, 2021

Title: An act relating to increasing permissible uses of existing local sales tax authority.

Brief Description: Increasing permissible uses of existing local sales tax authority.

Sponsors: Senators Wilson, J. and Wilson, L..

Brief History:

Committee Activity: Housing & Local Government: 2/02/21.

Brief Summary of Bill

- Adds emergency medical purposes as a permissible use for the revenues received from the public safety sales tax.

SENATE COMMITTEE ON HOUSING & LOCAL GOVERNMENT

Staff: Jeff Olsen (786-7428)

Background: Cities, counties, transit districts, and public facilities districts can impose a number of restricted local sales taxes on top of the 6.5 percent state sales tax and the local first half and second half taxes. These restricted revenues may only be used for the specific purposes listed in state statute. For any sales taxes requiring voter approval, the revenues must be spent in accordance with the purposes stated in the ballot measure.

Subject to voter approval, a city or county may impose a public safety sales tax, with at least one-third of the revenues used solely for criminal justice purposes, fire protection purposes, or both. The maximum rate is 0.3 percent for counties and 0.1 percent for cities, and the revenue must be shared between cities and counties. The combined city/county rate may not exceed 0.3 percent.

Summary of Bill: Emergency medical purposes is added as a permissible use that may be

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funded with one-third of the tax receipts received from the public safety sales tax.

Appropriation: None.

Fiscal Note: Not requested.

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

Effective Date: Ninety days after adjournment of session in which bill is passed.