
SENATE BILL 5080

State of Washington

67th Legislature

2021 Regular Session

By Senators Carlyle, Frockt, Hunt, Saldaña, Wellman, and Wilson, C.

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1 AN ACT Relating to providing flexibility in the distribution and
2 use of local funds dedicated to facilities used for youth educational
3 programming; and amending RCW 82.32.559 and 82.14.050.

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

5 **Sec. 1.** RCW 82.32.559 and 2019 c 347 s 3 are each amended to
6 read as follows:

7 (1) The state treasurer must deposit the repayment of deferred
8 state sales and use taxes due under RCW 82.32.558 into the general
9 fund.

10 (2)(a) (~~Except as~~) Subject to the requirements provided in (b)
11 of this subsection (2), the state treasurer must deposit (~~half of~~
12 ~~the repayment of~~) deferred local sales and use taxes due under RCW
13 82.32.558 into the local sales and use tax account created in RCW
14 82.14.050.

15 (b) (~~The state treasurer must deposit the remaining half~~) Half
16 of the repayment of deferred local sales and use taxes due under RCW
17 82.32.558 (~~into the state building construction account~~) must be
18 distributed to a city where an eligible project under RCW
19 82.32.558(9)(a)(i) is located for the exclusive purpose of funding
20 the construction or rehabilitation of capital facilities used for
21 youth educational programming related to discovery, experimentation,

1 and critical thinking in the sciences. Funds may also be used for the
2 maintenance and operation of such capital facilities. The capital
3 facility must be located on the same premises as a qualifying arena.

4 (3) The state treasurer must deposit any interest assessed and
5 accrued on taxes due pursuant to RCW 82.32.558(4) that is part of any
6 annual repayment as follows:

7 (a) Interest on state taxes must be deposited into the state
8 general fund.

9 (b) Interest on local taxes must be deposited into the local
10 sales and use tax account.

11 (4) In the event that an accelerated repayment schedule is
12 authorized by the department pursuant to RCW 82.32.558(5), the state
13 treasurer must deposit any amount in excess of taxes due pursuant to
14 RCW 82.32.558(4) into the state general fund and into the local sales
15 and use account, with the respective amounts deposited based on the
16 proportionate shares of the state taxes and local taxes due.

17 **Sec. 2.** RCW 82.14.050 and 2016 c 191 s 4 are each amended to
18 read as follows:

19 (1) The counties, cities, and transportation authorities under
20 RCW 82.14.045, public facilities districts under chapters 36.100 and
21 35.57 RCW, public transportation benefit areas under RCW 82.14.440,
22 regional transportation investment districts, and transportation
23 benefit districts under chapter 36.73 RCW must contract, prior to the
24 effective date of a resolution or ordinance imposing a sales and use
25 tax, the administration and collection to the state department of
26 revenue, which must deduct a percentage amount, as provided by
27 contract, not to exceed two percent of the taxes collected for
28 administration and collection expenses incurred by the department.
29 The remainder of any portion of any tax authorized by this chapter
30 that is collected by the department of revenue must be deposited by
31 the state department of revenue in the local sales and use tax
32 account hereby created in the state treasury. Beginning January 1,
33 2013, the department of revenue must make deposits in the local sales
34 and use tax account on a monthly basis on the last business day of
35 the month in which distributions required in (a) of this subsection
36 are due. Moneys in the local sales and use tax account may be
37 withdrawn only for:

38 (a) Distribution to counties, cities, transportation authorities,
39 public facilities districts, public transportation benefit areas,

1 regional transportation investment districts, and transportation
2 benefit districts imposing a sales and use tax; and

3 (b) Making refunds of taxes imposed under the authority of this
4 chapter and RCW 81.104.170 and exempted under RCW 82.08.962,
5 82.12.962, 82.08.02565, 82.12.02565, 82.08.025661, or 82.12.025661.

6 (2) All administrative provisions in chapters 82.03, 82.08,
7 82.12, and 82.32 RCW, as they now exist or may hereafter be amended,
8 insofar as they are applicable to state sales and use taxes, are
9 applicable to taxes imposed pursuant to this chapter.

10 (3) Counties, cities, transportation authorities, public
11 facilities districts, and regional transportation investment
12 districts may not conduct independent sales or use tax audits of
13 sellers registered under the streamlined sales tax agreement.

14 (4) Except as provided in RCW 43.08.190 and subsection (5) of
15 this section, all earnings of investments of balances in the local
16 sales and use tax account must be credited to the local sales and use
17 tax account and distributed to the counties, cities, transportation
18 authorities, public facilities districts, public transportation
19 benefit areas, regional transportation investment districts, and
20 transportation benefit districts monthly.

21 (5) Beginning January 1, 2013, the state treasurer must determine
22 the amount of earnings on investments that would have been credited
23 to the local sales and use tax account if the collections had been
24 deposited in the account over the prior month. When distributions are
25 made under subsection (1)(a) of this section, the state treasurer
26 must transfer this amount from the state general fund to the local
27 sales and use tax account and must distribute such sums to the
28 counties, cities, transportation authorities, public facilities
29 districts, public transportation benefit areas, regional
30 transportation investment districts, and transportation benefit
31 districts.

32 (6) Repayment of deferred local sales and use taxes due under RCW
33 82.32.558 is subject to the requirements of RCW 82.32.559.

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