
SENATE BILL 5406

State of Washington

68th Legislature

2023 Regular Session

By Senator Robinson; by request of Department of Revenue

Read first time 01/16/23. Referred to Committee on Ways & Means.

1 AN ACT Relating to clarifying ambiguities in statutory provisions
2 administered by the department of revenue relating to periodic
3 adjustments; and amending RCW 53.08.090, 82.12.0203, and 82.21.030.

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

5 **Sec. 1.** RCW 53.08.090 and 1994 c 26 s 1 are each amended to read
6 as follows:

7 (1) A port commission may, by resolution, authorize the managing
8 official of a port district to sell and convey port district property
9 (~~of ten thousand dollars or less in value~~) having a value not
10 exceeding the value limit in subsection (2) of this section. The
11 authority (~~shall~~) must be in force for not more than one calendar
12 year from the date of resolution and may be renewed from year to
13 year. Prior to any such sale or conveyance the managing official
14 shall itemize and list the property to be sold and make written
15 certification to the commission that the listed property is no longer
16 needed for district purposes. Any large block of the property having
17 a value in excess of (~~ten thousand dollars shall~~) the value limit
18 in subsection (2) of this section must not be broken down into
19 components (~~of ten thousand dollars or less~~) having a value not
20 exceeding the value limit in subsection (2) of this section and sold
21 in the smaller components unless the smaller components be sold by

1 public competitive bid. A port district may sell and convey any of
2 its real or personal property valued at more than (~~ten thousand~~
3 ~~dollars~~) the value limit in subsection (2) of this section when the
4 port commission has, by resolution, declared the property to be no
5 longer needed for district purposes, but no property which is a part
6 of the comprehensive plan of improvement or modification thereof
7 (~~shall~~) must be disposed of until the comprehensive plan has been
8 modified to find the property surplus to port needs. The
9 comprehensive plan (~~shall~~) must be modified only after public
10 notice and hearing provided by RCW 53.20.010.

11 Nothing in this section (~~shall be deemed to repeal or modify~~)
12 repeals or modifies procedures for property sales within industrial
13 development districts as set forth in chapter 53.25 RCW.

14 (~~The ten thousand dollar figures in subsection (1) of this~~
15 ~~section shall be adjusted annually based upon the governmental price~~
16 ~~index established by the department of revenue under RCW 82.14.200)~~

17 (a) Beginning on the effective date of this section, the value limit
18 in subsection (1) of this section is \$22,000. Beginning December
19 2024, and each December thereafter, the department shall adjust the
20 value limit for the following calendar year by multiplying the
21 current value limit by one plus the percentage by which the most
22 current consumer price index available on December 1st of the current
23 year exceeds the consumer price index for the prior 12-month period,
24 and rounding the result to the nearest \$10.

25 (b) For purposes of this subsection (2):

26 (i) "Consumer price index" means the consumer price index for all
27 urban consumers, all items less food and energy, for the Seattle area
28 as calculated by the United States bureau of labor statistics or
29 successor agency.

30 (ii) "Seattle area" means the geographic area sample that
31 includes Seattle and surrounding areas.

32 **Sec. 2.** RCW 82.12.0203 and 2017 3rd sp.s. c 28 s 108 are each
33 amended to read as follows:

34 (1) The value of the article used with respect to refinery fuel
35 gas under this chapter is the most recent monthly United States Henry
36 Hub natural gas (~~wellhead~~) spot price, as published by the federal
37 energy information administration. If the Henry Hub natural gas spot
38 price is no longer published, the department may by rule provide for

1 a method or methods for determining the value of the article used
2 with respect to refinery fuel gas.

3 (2) In lieu of the use tax rate provided in RCW 82.12.020,
4 refinery fuel gas is subject to a rate of:

5 (a) 0.963 percent from January 1, 2018, through December 31,
6 2018;

7 (b) 1.926 percent from January 1, 2019, through December 31,
8 2019;

9 (c) 2.889 percent from January 1, 2020, through December 31,
10 2020; and

11 (d) 3.852 percent from January 1, 2021, and thereafter.

12 (3) The use of fuel by the extractor or manufacturer thereof when
13 used directly in the operation of the particular extractive operation
14 or manufacturing plant that produced or manufactured the same is not
15 subject to local use tax.

16 **Sec. 3.** RCW 82.21.030 and 2022 c 182 s 313 are each amended to
17 read as follows:

18 (1)(a) A tax is imposed on the privilege of possession of
19 hazardous substances in this state. Except as provided in (b) of this
20 subsection, the rate of the tax is seven-tenths of one percent
21 multiplied by the wholesale value of the substance. Moneys collected
22 under this subsection (1)(a) must be deposited in the model toxics
23 control capital account.

24 (b) (~~Beginning~~) For the fiscal year beginning July 1, 2019, the
25 rate of the tax on petroleum products is (~~one dollar and nine~~
26 cents)) \$1.09 per barrel. For subsequent fiscal years, the rate of
27 tax on petroleum products is determined pursuant to subsection (3) of
28 this section. The tax collected under this subsection (1)(b) on
29 petroleum products must be deposited as follows, after first
30 depositing the tax as provided in (c) of this subsection, except that
31 during the 2021-2023 biennium the deposit as provided in (c) of this
32 subsection may be prorated equally across each month of the biennium:

33 (i) Sixty percent to the model toxics control operating account
34 created under RCW 70A.305.180;

35 (ii) Twenty-five percent to the model toxics control capital
36 account created under RCW 70A.305.190; and

37 (iii) Fifteen percent to the model toxics control stormwater
38 account created under RCW 70A.305.200.

1 (c) Until the beginning of the ensuing biennium after the
2 enactment of an additive transportation funding act, \$50,000,000 per
3 biennium to the motor vehicle fund to be used exclusively for
4 transportation stormwater activities and projects. For purposes of
5 this subsection, "additive transportation funding act" means an act
6 enacted after June 30, 2023, in which the combined total of new
7 revenues deposited into the motor vehicle fund and the multimodal
8 transportation account exceed \$2,000,000,000 per biennium
9 attributable solely to an increase in revenue from the enactment of
10 the act.

11 (d) The department must compile a list of petroleum products that
12 are not easily measured on a per barrel basis. Petroleum products
13 identified on the list are subject to the rate under (a) of this
14 subsection in lieu of the volumetric rate under (b) of this
15 subsection. The list will be made in a form and manner prescribed by
16 the department and must be made available on the department's
17 internet website. In compiling the list, the department may accept
18 technical assistance from persons that sell, market, or distribute
19 petroleum products and consider any other resource the department
20 finds useful in compiling the list.

21 (2) Chapter 82.32 RCW applies to the tax imposed in this chapter.
22 The tax due dates, reporting periods, and return requirements
23 applicable to chapter 82.04 RCW apply equally to the tax imposed in
24 this chapter.

25 (3) ~~((Beginning))~~ For fiscal years beginning on or after July 1,
26 2020, ~~((and every July 1st thereafter,))~~ the rate ~~((specified in~~
27 ~~subsection (1)(b) of this section))~~ of tax on petroleum products for
28 the previous fiscal year must be adjusted to reflect the percentage
29 change in the implicit price deflator for nonresidential structures
30 as published by the United States department of commerce, bureau of
31 economic analysis for the most recent 12-month period ending December
32 31st of the prior year.

--- END ---