
HOUSE BILL 1342

State of Washington 52nd Legislature 1991 Regular Session

By Representatives Kremen, Braddock, R. Fisher, Spanel, R. Johnson and Nelson.

Read first time January 25, 1991. Referred to Committee on Transportation.

1 AN ACT Relating to the local taxation of the sale or distribution
2 of motor vehicle fuels; amending RCW 82.36.440 and 82.38.280; adding a
3 new chapter to Title 82 RCW; providing an effective date; and declaring
4 an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislative authority of a city may,
7 by resolution for the purposes authorized in this chapter and by
8 approval of a majority of the registered voters of the county voting on
9 the proposition at a general or special election, fix and impose an
10 excise tax on the sale or distribution of motor vehicle fuel and
11 special fuel within the city. An election held under this section must
12 be held not more than twelve months before the date on which the
13 proposed tax is to be levied. The ballot setting forth the proposition
14 shall state the tax rate that is proposed. The rate of such tax shall
15 be in increments of one-tenth of a cent per gallon and shall not exceed

1 one cent per gallon. A person paying such excise tax who, in turn,
2 sells or distributes such fuel to another, whether or not for use,
3 shall include the tax as part of the selling price of the fuel. A
4 person thereafter paying a price for such fuel that includes an
5 increment for the tax imposed under this section, and who subsequently
6 resells the fuel, shall include the increment so paid as part of the
7 selling price of the fuel.

8 The tax imposed in this section shall be collected and paid to the
9 city but once in respect to any motor vehicle fuel or special fuel.
10 This tax shall be in addition to any other tax authorized or imposed by
11 law.

12 NEW SECTION. **Sec. 2.** The definitions set forth in this
13 section shall apply throughout this chapter unless the context clearly
14 requires otherwise.

15 (1) "Motor vehicle fuel" has the meaning given in RCW 82.36.010(2).

16 (2) "Special fuel" has the meaning given in RCW 82.38.020(5).

17 (3) "Motor vehicle" has the meaning given in RCW 82.36.010(1).

18 NEW SECTION. **Sec. 3.** The entire proceeds of the tax imposed
19 under this chapter, less refunds and less amounts deducted by the
20 department of licensing for administration and collection expenses,
21 shall be used solely for the purposes of city street maintenance and
22 construction.

23 NEW SECTION. **Sec. 4.** Prior to the effective date of the
24 resolution imposing the tax under this chapter, the city shall contract
25 with the department of licensing for the administration and collection
26 of the tax, including refunds, if any. The department shall deduct a
27 percentage amount, as provided by contract, for administration and

1 collection expenses incurred by it. The remainder of any portion of
2 the tax authorized by this chapter which is collected by the department
3 of licensing shall be deposited by the department in a special fund
4 under the custody of the state treasurer to be known as the city motor
5 vehicle fuel tax revolving fund. Each month the state treasurer shall
6 distribute to the cities the amount of tax collected on behalf of each
7 city, less refunds. All appropriate administrative provisions in
8 chapters 82.36 and 82.38 RCW shall, insofar as they are applicable to
9 state motor vehicle fuel and special fuel taxes, be applicable to the
10 tax imposed pursuant to this chapter.

11 **Sec. 5.** RCW 82.36.440 and 1990 c 42 s 204 are each amended to read
12 as follows:

13 The tax levied in this chapter is in lieu of any excise, privilege,
14 or occupational tax upon the business of manufacturing, selling, or
15 distributing motor vehicle fuel, and no city, town, county, township or
16 other subdivision or municipal corporation of the state shall levy or
17 collect any excise tax upon or measured by the sale, receipt,
18 distribution, or use of motor vehicle fuel, except as provided in RCW
19 82.80.010 and section 1 of this act.

20 **Sec. 6.** RCW 82.38.280 and 1990 c 42 s 205 are each amended to read
21 as follows:

22 The tax levied in this chapter is in lieu of any excise, privilege,
23 or occupational tax upon the business of manufacturing, selling, or
24 distributing special fuel, and no city, town, county, township or other
25 subdivision or municipal corporation of the state shall levy or collect
26 any excise tax upon or measured by the sale, receipt, distribution, or
27 use of special fuel, except as provided in RCW 82.80.010 and section 1
28 of this act.

1 NEW SECTION. **Sec. 7.** Sections 1 through 4 of this act shall
2 constitute a new chapter in Title 82 RCW.

3 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and shall take
6 effect July 1, 1991.