

FINAL BILL REPORT

SSB 5551

C 340 L 95

Synopsis as Enacted

Brief Description: Authorizing special taxation of lodging.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Sellar and Snyder).

Senate Committee on Ways & Means

House Committee on Finance

Background: Cities and counties are authorized to levy a special excise tax of up to 2 percent on the furnishing of lodging by hotels and motels to help finance stadium facilities, convention center facilities, performing arts center facilities, and visual arts center facilities or to secure the payment of bonds issued for these purposes. City taxes are credited against county taxes, and city and county taxes are credited against the state sales tax on the furnishing of lodging.

In addition to the general tax authorization, specific taxes are authorized for various cities and counties for various purposes. These taxes are in addition to state and local sales taxes.

Summary: In a county east of the crest of the Cascade mountains with a population of at least 55,000 but less than 62,000, a city with a population of at least 3,000 but less than 4,000 and a city with a population of at least 1,800 but less than 2,500 may impose taxes not to exceed 3 percent. Revenues from these taxes can only be used for tourism promotion. Based on current populations, Chelan and Leavenworth are eligible to impose these taxes.

In a county east of the crest of the Cascade mountains with a population of at least 55,000 but less than 62,000, a city with a population of at least 22,000 but less than 28,000 may impose a tax not to exceed 2 percent. Revenues from this tax can only be used for tourism promotion, and for the design, expansion, and construction of public facilities related to tourism promotion. Based on current population, Wenatchee is eligible to impose this tax.

In a county east of the crest of the Cascade mountains with a population of at least 28,000 but less than 33,000, a city with a population of at least 3,000 but less than 6,000 may impose a tax under this section not to exceed 2 percent. Revenues from this tax can only be used for tourism promotion, and for the design, expansion, and construction of public facilities related to tourism promotion. Based on current population, East Wenatchee is eligible to impose this tax.

Votes on Final Passage:

Senate	49	0	
House	92	3	(House amended)
Senate	44	0	(Senate concurred)

Effective: July 23, 1995