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SENATE BILL 5058

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State of Washington

54th Legislature

1995 Regular Session

By Senators Haugen and Winsley

Read first time 01/09/95. Referred to Committee on Government Operations.

1 AN ACT Relating to the use of locally imposed real estate excise  
2 tax proceeds for financing capital projects; and reenacting and  
3 amending RCW 82.46.035.

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

5 **Sec. 1.** RCW 82.46.035 and 1992 c 221 s 3 and 1991 sp.s. c 32 s 33  
6 are each reenacted and amended to read as follows:

7 (1) The legislative authority of any county or city shall identify  
8 in the adopted budget the capital projects funded in whole or in part  
9 from the proceeds of the tax authorized in this section, and shall  
10 indicate that such tax is intended to be in addition to other funds  
11 that may be reasonably available for such capital projects.

12 (2) The legislative authority of any county or any city that plans  
13 under RCW 36.70A.040(1) may impose an additional excise tax on each  
14 sale of real property in the unincorporated areas of the county for the  
15 county tax and in the corporate limits of the city for the city tax at  
16 a rate not exceeding one-quarter of one percent of the selling price.  
17 Any county choosing to plan under RCW 36.70A.040(2) and any city within  
18 such a county may only adopt an ordinance imposing the excise tax  
19 authorized by this section if the ordinance is first authorized by a

1 proposition approved by a majority of the voters of the taxing district  
2 voting on the proposition at a general election held within the  
3 district or at a special election within the taxing district called by  
4 the district for the purpose of submitting such proposition to the  
5 voters.

6 (3) Revenues generated from the tax imposed under subsection (2) of  
7 this section shall be used by such counties and cities solely for  
8 financing capital projects specified in a capital facilities plan  
9 element of a comprehensive plan. However, revenues (a) pledged by such  
10 counties and cities to debt retirement prior to March 1, 1992, may  
11 continue to be used for that purpose until the original debt for which  
12 the revenues were pledged is retired, or (b) committed prior to March  
13 1, 1992, by such counties or cities to a project may continue to be  
14 used for that purpose until the project is completed.

15 (4) Revenues generated by the tax imposed by this section shall be  
16 deposited in a separate account.

17 (5) As used in this section, "city" means any city or town and  
18 "capital project" means those public works projects of a local  
19 government for planning, acquisition, construction, reconstruction,  
20 repair, replacement, rehabilitation, or improvement of streets, roads,  
21 highways, sidewalks, street and road lighting systems, traffic signals,  
22 bridges, domestic water systems, storm and sanitary sewer systems, and  
23 planning, construction, reconstruction, repair, rehabilitation, or  
24 improvement of parks: PROVIDED, That in counties or cities with a  
25 population of less than twenty-five thousand, "capital project"  
26 includes planning, acquisition, construction, reconstruction, repair,  
27 replacement, rehabilitation, or improvement of law enforcement  
28 facilities and fire protection facilities.

29 (6) When the governor files a notice of noncompliance under RCW  
30 36.70A.340 with the secretary of state and the appropriate county or  
31 city, the county or city's authority to impose the additional excise  
32 tax under this section shall be temporarily rescinded until the  
33 governor files a subsequent notice rescinding the notice of  
34 noncompliance.

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