S-0707.1 _____

SENATE BILL 5778

_____

State of Washington   **63rd Legislature**   **2013 Regular Session**

By Senators Kohl-Welles, Keiser, Kline, Nelson, Murray, and Frockt

Read first time 02/14/13. Referred to Committee on Governmental Operations.

1   AN ACT Relating to allowing certain county legislative authorities
2 to impose a sales and use tax by ordinance; and amending RCW 82.14.450.

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

4   **Sec. 1.** RCW 82.14.450 and 2010 c 127 s 1 are each amended to read
5 as follows:
6   (1)(a) A county legislative authority may submit an authorizing
7 proposition to the county voters at a primary or general election and,
8 if the proposition is approved by a majority of persons voting, impose
9 a sales and use tax in accordance with the terms of this chapter.
10   (b) As an alternative to the procedure under (a) of this
11 subsection, if a county has a population of one million five hundred
12 thousand or more, the legislative authority of the county may opt to
13 impose a sales and use tax by ordinance that clearly states the purpose
14 for which the proposed sales and use tax will be used in accordance
15 with the terms of this chapter.
16   (c) The title of each ballot measure must clearly state the
17 purposes for which the proposed sales and use tax will be used.
18   (d) The rate of tax under this section may not exceed three-tenths

1   of one percent of the selling price in the case of a sales tax, or
2   value of the article used, in the case of a use tax.
3   (2)(a) A city legislative authority may submit an authorizing
4   proposition to the city voters at a primary or general election and, if
5   the proposition is approved by a majority of persons voting, impose a
6   sales and use tax in accordance with the terms of this chapter. The
7   title of each ballot measure must clearly state the purposes for which
8   the proposed sales and use tax will be used. The rate of tax under
9   this subsection may not exceed one-tenth of one percent of the selling
10 price in the case of a sales tax, or value of the article used, in the
11 case of a use tax. A city may not begin imposing a tax approved by the
12 voters under this subsection prior to January 1, 2011.
13   (b) If a county adopts an ordinance or resolution to submit a
14 ballot proposition to the voters to impose the sales and use tax under
15 subsection (1) of this section prior to a city within the county
16 adopting an ordinance or resolution to submit a ballot proposition to
17 the voters to impose the tax under this subsection, the rate of tax by
18 the city under this subsection may not exceed an amount that would
19 cause the total county and city tax rate under this section to exceed
20 three-tenths of one percent. This subsection (2)(b) also applies if
21 the county and city adopt an ordinance or resolution to impose sales
22 and use taxes under this section on the same date.
23   (c) If the city adopts an ordinance or resolution to submit a
24 ballot proposition to the voters to impose the sales and use tax under
25 this subsection prior to the county in which the city is located, the
26 county must provide a credit against its tax under subsection (1) of
27 this section for the city tax under this subsection to the extent the
28 total county and city tax rate under this section would exceed three-
29 tenths of one percent.
30   (3) The tax authorized in this section is in addition to any other
31 taxes authorized by law and must be collected from those persons who
32 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
33 occurrence of any taxable event within the county.
34   (4) The retail sale or use of motor vehicles, and the lease of
35 motor vehicles for up to the first thirty-six months of the lease, are
36 exempt from tax imposed under this section.
37   (5) One-third of all money received under this section must be used

1   solely for criminal justice purposes, fire protection purposes, or
2   both. For the purposes of this subsection, "criminal justice purposes"
3   has the same meaning as provided in RCW 82.14.340.
4   (6) Money received by a county under subsection (1) of this section
5   must be shared between the county and the cities as follows: Sixty
6   percent must be retained by the county and forty percent must be
7   distributed on a per capita basis to cities in the county.
8   (7) Tax proceeds received by a city imposing a tax under this
9   section must be shared between the county and city as follows: Fifteen
10 percent must be distributed to the county and eighty-five percent is
11 retained by the city.

--- END ---