

SENATE BILL REPORT

ESHB 1127

AS REPORTED BY COMMITTEE ON TRANSPORTATION, MARCH 31, 1993

Brief Description: Controlling vehicle tax or license fee evasion.

SPONSORS: House Committee on Transportation (originally sponsored by Representatives R. Fisher, Brumsickle, Brown, Horn, Long, Quall, Carlson and Johanson; by request of Washington State Patrol)

HOUSE COMMITTEE ON TRANSPORTATION

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Vognild, Chairman; Loveland, Vice Chairman; Skratek, Vice Chairman; Drew, Haugen, Nelson, Oke, Prentice, Prince, M. Rasmussen, Sheldon, von Reichbauer, and Winsley.

Staff: Brad Lovaas (786-7307)

Hearing Dates: March 30, 1993; March 31, 1993

BACKGROUND:

Current statute provides that failure to register a motor vehicle before operating it on the public roadways is a misdemeanor. It is a gross misdemeanor to register a motor vehicle in another state with the wilful intent to evade taxes due in this state.

The term "motor vehicle" excludes trailers and campers.

The Washington State Patrol has no statutory authority to investigate and enforce licensing law related to trailers, campers, aircraft or watercraft.

Current vessel law makes it a gross misdemeanor to obtain a dealer's license to evade taxes. However, if a person registers a vessel in another state for the purpose of evading taxes and is discovered, that person is liable for the unpaid licensing fees and excise taxes, but is not subject to criminal penalties.

A misdemeanor is punishable by imprisonment of not more than 90 days, or a fine of not more than \$1,000, or both.

A gross misdemeanor is punishable by imprisonment of not more than one year, or a fine of not more than \$5,000, or both.

SUMMARY:

The penalties for failing to register and/or evading licensing requirements for all modes of transportation (vehicle, aircraft and watercraft) are made uniform. Failure to license and pay taxes would be a misdemeanor. The penalty for wilfully licensing a vehicle, aircraft or watercraft in another state for the purpose of evading Washington taxes is a gross misdemeanor.

The current language that states that a person who registers a vehicle in another state to avoid the licensing fee and excise tax must have done so with wilful intent is deleted.

A change is made to the vehicle licensing statutes to delete the word "motor" from the definition of "motor vehicle." The implication of this change is to expand the definition of vehicle to include trailers and campers.

SUMMARY OF PROPOSED SENATE AMENDMENT:

Vessels from a foreign country with a U.S. Customs cruising license may enter Washington waters without having to register as a Washington vessel.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The State Patrol will be given the authority to investigate license fraud of vessels, aircraft, campers and trailers.

TESTIMONY AGAINST: None

TESTIFIED: Tim Erickson, WSP; John Woodring, NW Marine Trade Association