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SENATE BILL 6247

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State of Washington

59th Legislature

2006 Regular Session

By Senators Haugen and Benson

Read first time 01/10/2006. Referred to Committee on Transportation.

1 AN ACT Relating to uniform administration of locally imposed motor  
2 vehicle excise taxes; amending RCW 81.100.060, 82.44.060, 82.44.065,  
3 82.44.090, 82.44.100, and 82.44.120; adding new sections to chapter  
4 82.44 RCW; and repealing RCW 82.44.022, 82.44.023, 82.44.025,  
5 82.44.080, 82.44.130, 82.44.155, 82.44.157, 82.44.160, and 82.44.170.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.44 RCW  
8 to read as follows:

9 (1) For the purpose of determining any locally imposed motor  
10 vehicle excise tax, the value of a truck-type power or trailing unit  
11 shall be the latest purchase price of the vehicle, excluding applicable  
12 federal excise taxes, state and local sales or use taxes,  
13 transportation or shipping costs, or preparatory or delivery costs,  
14 multiplied by the following percentage based on year of service of the  
15 vehicle since last sale. The latest purchase year shall be considered  
16 the first year of service.

	YEAR OF SERVICE	PERCENTAGE
1		
2	1	100
3	2	81
4	3	67
5	4	55
6	5	45
7	6	37
8	7	30
9	8	25
10	9	20
11	10	16
12	11	13
13	12	11
14	13	9
15	14	7
16	15	3
17	16 or older	0

18 (2) The reissuance of title and registration for a truck-type power  
19 or trailing unit because of the installation of body or special  
20 equipment shall be treated as a sale, and the value of the truck-type  
21 power or trailing unit at that time, as determined by the department  
22 from such information as may be available, shall be considered the  
23 latest purchase price.

24 (3) For the purpose of determining any locally imposed motor  
25 vehicle excise tax, the value of a motor vehicle other than a truck-  
26 type power or trailing unit shall be eighty-five percent of the  
27 manufacturer's base suggested retail price of the vehicle when first  
28 offered for sale as a new vehicle, excluding any optional equipment,  
29 applicable federal excise taxes, state and local sales or use taxes,  
30 transportation or shipping costs, or preparatory or delivery costs,  
31 multiplied by the applicable percentage listed in this subsection (3)  
32 based on year of service of the vehicle.

33 If the manufacturer's base suggested retail price is unavailable or  
34 otherwise unascertainable at the time of initial registration in this  
35 state, the department shall determine a value equivalent to a  
36 manufacturer's base suggested retail price as follows:

1 (a) The department shall determine a value using any information  
2 that may be available, including any guidebook, report, or compendium  
3 of recognized standing in the automotive industry or the selling price  
4 and year of sale of the vehicle. The department may use an appraisal  
5 by the county assessor. In valuing a vehicle for which the current  
6 value or selling price is not indicative of the value of similar  
7 vehicles of the same year and model, the department shall establish a  
8 value that more closely represents the average value of similar  
9 vehicles of the same year and model. The value determined in this  
10 subsection (3)(a) shall be divided by the applicable percentage listed  
11 in (b) of this subsection (3) to establish a value equivalent to a  
12 manufacturer's base suggested retail price and this value shall be  
13 multiplied by eighty-five percent.

14 (b) The year the vehicle is offered for sale as a new vehicle shall  
15 be considered the first year of service.

16	YEAR OF SERVICE	PERCENTAGE
17	1	100
18	2	81
19	3	72
20	4	63
21	5	55
22	6	47
23	7	41
24	8	36
25	9	32
26	10	27
27	11	26
28	12	24
29	13	23
30	14	21
31	15	16
32	16 or older	10

33 (4) For purposes of this chapter, value shall exclude value  
34 attributable to modifications of a motor vehicle and equipment that are  
35 designed to facilitate the use or operation of the motor vehicle by a  
36 person with a disability.

1       **Sec. 2.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to  
2 read as follows:

3       A county with a population of one million or more and a county with  
4 a population of from two hundred ten thousand to less than one million  
5 that is adjoining a county with a population of one million or more,  
6 having within their boundaries existing or planned high-occupancy  
7 vehicle lanes on the state highway system, or a regional transportation  
8 investment district for capital improvements, but only to the extent  
9 that the surcharge has not already been imposed by the county, may,  
10 with voter approval, impose a local surcharge of not more than three-  
11 tenths of one percent of the value on vehicles registered to a person  
12 residing within the county and not more than 13.64 percent on the state  
13 sales and use taxes paid under the rate in RCW 82.08.020(2) on retail  
14 car rentals within the county or investment district. A county may  
15 impose the surcharge only to the extent that it has not been imposed by  
16 the district. No surcharge may be imposed on vehicles licensed under  
17 RCW 46.16.070 except vehicles with an unladen weight of six thousand  
18 pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.

19       Counties or investment districts imposing a tax under this section  
20 shall contract, before the effective date of the resolution or  
21 ordinance imposing a surcharge, administration and collection to the  
22 state department of licensing, and department of revenue, as  
23 appropriate, which shall deduct an amount, as provided by contract, for  
24 administration and collection expenses incurred by the department. All  
25 administrative provisions in chapters 82.03, 82.32, and 82.44 RCW  
26 shall, insofar as they are applicable to motor vehicle excise taxes, be  
27 applicable to surcharges imposed under this section. All  
28 administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32  
29 RCW shall, insofar as they are applicable to state sales and use taxes,  
30 be applicable to surcharges imposed under this section.

31       If the tax authorized in RCW 81.100.030 is also imposed, the total  
32 proceeds from tax sources imposed under this section and RCW 81.100.030  
33 each year shall not exceed the maximum amount which could be collected  
34 under this section.

35       Motor vehicles subject to the local surcharge authorized in this  
36 section shall be administered in accordance with section 1 of this act  
37 if the surcharge is first imposed on or after the effective date of  
38 this act.

1       **Sec. 3.** RCW 82.44.060 and 1990 c 42 s 304 are each amended to read  
2 as follows:

3       ~~((The))~~ Any locally imposed excise tax ~~((hereby imposed))~~ shall be  
4 due and payable to the department or its agents at the time of  
5 registration of a motor vehicle. Whenever an application is made to  
6 the department or its agents for a license for a motor vehicle there  
7 shall be collected, in addition to the amount of the license fee or  
8 renewal license fee, the amount of ~~((the))~~ any locally imposed excise  
9 tax ~~((imposed by this chapter))~~, and no dealer's license or license  
10 plates, and no license or license plates for a motor vehicle shall be  
11 issued unless such tax is paid in full. ~~((The excise tax hereby~~  
12 ~~imposed))~~ Locally imposed excise taxes shall be collected for each  
13 registration year. ~~((The))~~ Any locally imposed excise tax upon a motor  
14 vehicle licensed for the first time in this state shall be levied for  
15 one full registration year commencing on the date of the calendar year  
16 designated by the department and ending on the same date of the next  
17 succeeding calendar year. For vehicles registered under chapter 46.87  
18 RCW, proportional registration, and for vehicle dealer plates issued  
19 under chapter 46.70 RCW, the registration year is the period provided  
20 in those chapters~~((: PROVIDED, That))~~. However, the tax shall in no  
21 case be less than two dollars except for proportionally registered  
22 vehicles.

23       A motor vehicle shall be deemed licensed for the first time in this  
24 state when such vehicle was not previously licensed by this state for  
25 the registration year immediately preceding the registration year in  
26 which the application for license is made or when the vehicle has been  
27 registered in another jurisdiction subsequent to any prior registration  
28 in this state.

29       No additional tax shall be imposed under this chapter upon any  
30 vehicle upon the transfer of ownership thereof if the tax imposed with  
31 respect to such vehicle has already been paid for the registration year  
32 or fraction of a registration year in which transfer of ownership  
33 occurs.

34       **Sec. 4.** RCW 82.44.065 and 1990 c 42 s 305 are each amended to read  
35 as follows:

36       If the department determines a value for a motor vehicle ~~((under~~  
37 ~~RCW 82.44.041))~~ equivalent to a manufacturer's base suggested retail

1 price or the value of a truck-type power or trailing unit under ((RCW  
2 ~~82.44.041(2)~~) section 1 of this act, any person who pays ((the)) a  
3 locally imposed tax ((~~under this chapter~~)) for that vehicle may appeal  
4 the valuation to the department under chapter 34.05 RCW. If the  
5 taxpayer is successful on appeal, the department shall refund the  
6 excess tax in the manner provided in RCW 82.44.120.

7 **Sec. 5.** RCW 82.44.090 and 1961 c 15 s 82.44.090 are each amended  
8 to read as follows:

9 It shall be unlawful for the county auditor or any other person to  
10 issue a dealer's license or dealer's license plates or a license or  
11 identification plates with respect to any motor vehicle without  
12 collecting, with the required license fee, the amount of ((the)) any  
13 locally imposed motor vehicle excise tax due ((~~thereon under the~~  
14 ~~provisions of this chapter~~)). Any violation of this section shall  
15 constitute a gross misdemeanor.

16 **Sec. 6.** RCW 82.44.100 and 1961 c 15 s 82.44.100 are each amended  
17 to read as follows:

18 The county auditor shall give to each person paying ((the)) a  
19 locally imposed motor vehicle excise tax a receipt therefor which shall  
20 sufficiently designate and identify the vehicle with respect to which  
21 the tax is paid. ((Such)) The receipt may be incorporated in the  
22 receipt given for the motor vehicle license fee or dealer's license fee  
23 paid.

24 **Sec. 7.** RCW 82.44.120 and 2003 c 53 s 403 are each amended to read  
25 as follows:

26 (1) Whenever any person has paid a motor vehicle license fee, and  
27 together therewith has paid ((an)) a locally imposed excise tax  
28 ((~~imposed under the provisions of this chapter~~)), and the director  
29 determines that the payor is entitled to a refund of the entire amount  
30 of the license fee as provided by law, then the payor shall also be  
31 entitled to a refund of the entire excise tax collected under the  
32 provisions of this chapter. In case the director determines that any  
33 person is entitled to a refund of only a part of the license fee so  
34 paid, the payor shall be entitled to a refund of the difference, if

1 any, between the excise tax collected and that which should have been  
2 collected.

3 (2) In case no claim is to be made for the refund of the license  
4 fee or any part thereof, but claim is made by any person that he or she  
5 has paid an erroneously excessive amount of excise tax, the department  
6 shall determine in the manner generally provided in this chapter the  
7 amount of such excess, if any, that has been paid and shall certify to  
8 the state treasurer that such person is entitled to a refund in such  
9 amount.

10 (3) In any case where due to error, a person has been required to  
11 pay an excise tax pursuant to this chapter and a vehicle license fee  
12 pursuant to Title 46 RCW which amounts to an overpayment of ten dollars  
13 or more, such person shall be entitled to a refund of the entire amount  
14 of such overpayment, regardless of whether or not a refund of the  
15 overpayment has been requested. Conversely, if due to error, the  
16 department or its agents has failed to collect the full amount of the  
17 license fee and excise tax due, which underpayment is in the amount of  
18 ten dollars or more, the department shall charge and collect such  
19 additional amount as will constitute full payment of the tax.

20 (4) Any claim for refund of an erroneously excessive amount of  
21 excise tax or overpayment of excise tax with a motor vehicle license  
22 fee must be filed with the director within three years after the  
23 claimed erroneous payment was made.

24 (5) If the department approves the claim it shall notify the state  
25 treasurer to that effect, and the treasurer shall make such approved  
26 refunds from the general fund and shall mail or deliver the same to the  
27 person entitled thereto.

28 (6) Any person making any false statement under which he or she  
29 obtains any amount of refund to which he or she is not entitled under  
30 the provisions of this section is guilty of a gross misdemeanor.

31 (7) Before a local government subject to this chapter may impose a  
32 motor vehicle excise tax, the local government shall contract with the  
33 department for reimbursement for any refunds paid to a person by the  
34 treasurer.

35 NEW SECTION. Sec. 8. A new section is added to chapter 82.44 RCW  
36 to read as follows:

37 Before a local government subject to this chapter may impose a

1 motor vehicle excise tax, the local government must contract with the  
2 department for the collection of the tax. The department may charge a  
3 reasonable amount, not to exceed one percent of tax collections, for  
4 the administration and collection of the tax.

5 NEW SECTION. **Sec. 9.** The following acts or parts of acts are each  
6 repealed:

7 (1) RCW 82.44.022 (Credit on personal-use motor vehicle) and 1998  
8 c 321 s 2;

9 (2) RCW 82.44.023 (Exemption--Rental cars--Alteration of license  
10 plate month and year tabs--Rules--Taxes upon sale) and 1998 c 321 s 38,  
11 1998 c 145 s 1, 1994 c 227 s 3, & 1992 c 194 s 8;

12 (3) RCW 82.44.025 (Exemption--Vehicles of Taipei Economic and  
13 Cultural Office) and 1998 c 321 s 39 & 1996 c 139 s 3;

14 (4) RCW 82.44.080 (Tax additional) and 1961 c 15 s 82.44.080;

15 (5) RCW 82.44.130 (Ad valorem taxation barred) and 1961 c 15 s  
16 82.44.130;

17 (6) RCW 82.44.155 (City police and fire protection assistance  
18 account--Distribution to cities and towns--Apportionment) and 1998 c  
19 321 s 40, 1993 c 492 s 254, 1991 c 199 s 223, & 1990 c 42 s 309;

20 (7) RCW 82.44.157 (Transfer of funds pursuant to government service  
21 agreement) and 1994 c 266 s 14;

22 (8) RCW 82.44.160 (Distribution to municipal research council) and  
23 1999 c 309 s 931 & 1995 c 28 s 1; and

24 (9) RCW 82.44.170 (Computation of excise taxes when commingled with  
25 licensing fees) and 1990 c 42 s 311, 1987 c 244 s 56, & 1985 c 380 s  
26 22.

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