
SENATE BILL 5972

State of Washington 62nd Legislature 2011 2nd Special Session

By Senators Shin, Chase, and Regala

Read first time 12/02/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to referring a temporary sales and use tax rate
2 increase to the voters in order to provide funding for essential
3 government services; amending RCW 82.08.020 and 29A.60.260; reenacting
4 and amending RCW 82.08.064, 29A.60.190, and 29A.60.190; providing
5 effective dates; providing an expiration date; and providing for
6 submission of certain sections of this act to a vote of the people.

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

8 **Sec. 1.** RCW 82.08.020 and 2011 c 171 s 120 are each amended to
9 read as follows:

10 (1) There is levied and collected a tax equal to six and five-
11 tenths percent of the selling price on each retail sale in this state
12 of:

13 (a) Tangible personal property, unless the sale is specifically
14 excluded from the RCW 82.04.050 definition of retail sale;

15 (b) Digital goods, digital codes, and digital automated services,
16 if the sale is included within the RCW 82.04.050 definition of retail
17 sale;

18 (c) Services, other than digital automated services, included
19 within the RCW 82.04.050 definition of retail sale;

1 (d) Extended warranties to consumers; and

2 (e) Anything else, the sale of which is included within the RCW
3 82.04.050 definition of retail sale.

4 (2) There is levied and collected an additional tax on each retail
5 car rental, regardless of whether the vehicle is licensed in this
6 state, equal to five and nine-tenths percent of the selling price. The
7 revenue collected under this subsection must be deposited in the
8 multimodal transportation account created in RCW 47.66.070.

9 (3) Beginning July 1, 2003, there is levied and collected an
10 additional tax of three-tenths of one percent of the selling price on
11 each retail sale of a motor vehicle in this state, other than retail
12 car rentals taxed under subsection (2) of this section. The revenue
13 collected under this subsection must be deposited in the multimodal
14 transportation account created in RCW 47.66.070.

15 (4) For purposes of subsection (3) of this section, "motor vehicle"
16 has the meaning provided in RCW 46.04.320, but does not include farm
17 tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181,
18 off-road vehicles as defined in RCW 46.04.365, nonhighway vehicles as
19 defined in RCW 46.09.310, and snowmobiles as defined in RCW 46.04.546.

20 (5)(a) From July 1, 2012, until June 30, 2015, subject to (b) of
21 this subsection (5), in addition to the tax imposed upon each retail
22 sale under subsection (1) of this section, there is imposed a tax in an
23 amount equal to one percent of the selling price.

24 (b)(i) If the state's unemployment rate decreases to six and five-
25 tenths percent for four continuous months, the rate of one percent
26 under (a) of this subsection (5) is reduced to one-half of one percent.

27 (ii) If the state's unemployment rate decreases to five percent for
28 four continuous months, no additional tax may be imposed under (a) of
29 this subsection (5).

30 (6) Beginning on December 8, 2005, 0.16 percent of the taxes
31 collected under subsection (1) of this section must be dedicated to
32 funding comprehensive performance audits required under RCW 43.09.470.
33 The revenue identified in this subsection must be deposited in the
34 performance audits of government account created in RCW 43.09.475.

35 ~~((+6))~~ (7) The taxes imposed under this chapter apply to
36 successive retail sales of the same property.

37 ~~((+7))~~ (8) The rates provided in this section apply to taxes
38 imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

1 **Sec. 2.** RCW 82.08.064 and 2003 c 361 s 304 and 2003 c 168 s 205
2 are each reenacted and amended to read as follows:

3 (1) A sales and use tax rate change under this chapter or chapter
4 82.12 RCW (~~(shall be)~~) is imposed (a) no sooner than seventy-five days
5 after its enactment into law and (b) only on the first day of January,
6 April, July, or October.

7 (2) Subsection (1) of this section does not apply to the tax rate
8 change in section 301, chapter 361, Laws of 2003 or section 1 of this
9 act.

10 (3)(a) A sales and use tax rate increase under this chapter or
11 chapter 82.12 RCW imposed on services applies to the first billing
12 period starting on or after the effective date of the increase.

13 (b) A sales and use tax rate decrease under this chapter or chapter
14 82.12 RCW imposed on services applies to bills rendered on or after the
15 effective date of the decrease.

16 (c) For the purposes of this subsection (3), "services" means
17 retail services such as installing and constructing and retail services
18 such as telecommunications, but does not include services such as
19 tattooing.

20 NEW SECTION. **Sec. 3.** (1) The secretary of state must submit
21 sections 1 and 2 of this act to the people for their adoption and
22 ratification, or rejection, at a special election to be held in this
23 state on March 13, 2012, in accordance with Article II, section 1 of
24 the state Constitution and the laws adopted to facilitate its
25 operation. The special election must be limited to the submission of
26 this act to the people.

27 (2) Pursuant to RCW 29A.72.050(6), the statement of subject and
28 concise description for the ballot title must read: "The legislature
29 has passed . . . Bill No. . . . (this act), concerning a temporary
30 sales tax increase. This bill would provide a temporary source of
31 funding to support essential government services, including K-12
32 education, higher education, and services for seniors and the
33 disabled."

34 (3) Pursuant to RCW 29A.32.060, the committees tasked with writing
35 and submitting arguments advocating the approval or rejection of this
36 act must be appointed by January 4, 2012. The committees must submit
37 their initial argument statements to the secretary of state by January

1 11, 2012. The final statements and rebuttals prepared according to RCW
2 29A.32.060 must be submitted by January 16, 2012, for inclusion in the
3 voter's pamphlet.

4 (4) The attorney general must prepare the explanatory statement
5 required by RCW 29A.72.060 and transmit that statement regarding the
6 referendum to the secretary of state no later than January 16, 2012.

7 (5) The office of financial management must prepare the fiscal
8 impact statement required by RCW 29A.72.025 and transmit that statement
9 regarding the referendum to the secretary of state no later than
10 January 16, 2012.

11 (6) The secretary of state must prepare and distribute a voters'
12 pamphlet addressing this referendum measure following the procedures
13 and requirements of chapter 29A.32 RCW.

14 (7) A county auditor may conduct the voting at this special
15 election in all precincts of the county by mail using the procedures
16 set forth in RCW 29A.48.020 through 29A.48.060.

17 (8) Pursuant to RCW 29A.60.190, the county canvassing board in each
18 county must canvass and certify the votes cast at this special election
19 in that county to the secretary of state no later than the tenth day
20 following the election. Pursuant to RCW 29A.60.260, the secretary of
21 state must canvass and certify the returns from the counties no later
22 than the fifteenth day following the special election.

23 (9) The secretary of state must reimburse each county for the cost
24 of conducting the special election in that county in the same manner as
25 state primary and general election costs are reimbursed under RCW
26 29A.04.420.

27 (10) No other state, county, or local election may be required or
28 held on any proposition related to or affecting this act.

29 **Sec. 4.** RCW 29A.60.190 and 2011 c 349 s 20 and 2011 c 10 s 57 are
30 each reenacted and amended to read as follows:

31 (1) Except as provided by subsections (2) and (3) of this section,
32 fourteen days after a primary or special election and twenty-one days
33 after a general election, the county canvassing board (~~shall~~) must
34 complete the canvass and certify the results. (~~The county canvassing
35 board must complete the canvass and certify the results of the April
36 17, 2012, special election ten days after election day.~~) Each ballot
37 that was returned before 8:00 p.m. on the day of the special election,

1 general election, or primary, and each ballot bearing a postmark on or
2 before the date of the special election, general election, or primary
3 and received no later than the day before certification, must be
4 included in the canvass report.

5 (2) On or before the thirtieth day after an election conducted
6 under the instant runoff voting method for the pilot project authorized
7 by RCW 29A.53.020, the canvassing board (~~shall~~) must complete the
8 canvass and certify the results.

9 (3)(a) On or before the tenth day after the election date provided
10 by the legislature for a special election in a referendum bill, the
11 canvassing board must complete the canvass and certify the results.

12 (b) The county canvassing board must complete the canvass and
13 certify the results of the April 17, 2012, special election ten days
14 after election day.

15 **Sec. 5.** RCW 29A.60.190 and 2011 c 349 s 21 and 2011 c 10 s 58 are
16 each reenacted and amended to read as follows:

17 (1) Except as provided by subsection (2) of this section, fourteen
18 days after a primary or special election and twenty-one days after a
19 general election, the county canvassing board (~~shall~~) must complete
20 the canvass and certify the results. Each ballot that was returned
21 before 8:00 p.m. on the day of the special election, general election,
22 or primary, and each ballot bearing a postmark on or before the date of
23 the special election, general election, or primary and received no
24 later than the day before certification, must be included in the
25 canvass report.

26 (2) On or before the tenth day after the election date provided by
27 the legislature for a special election in a referendum bill, the
28 canvassing board must complete the canvass and certify the results.

29 **Sec. 6.** RCW 29A.60.260 and 2003 c 111 s 1526 are each amended to
30 read as follows:

31 (1) The votes on proposed amendments to the state Constitution,
32 recommendations for the calling of constitutional conventions and other
33 questions submitted to the people must be counted, canvassed, and
34 returned by each county canvassing board in the manner provided by law
35 for counting, canvassing, and returning votes for candidates for state
36 offices.

1 Except as provided otherwise in subsection (2) of this section, the
2 secretary of state (~~shall~~) must, in the presence of the governor,
3 within thirty days after the election, canvass the votes upon each
4 question and certify to the governor the result. The governor
5 (~~shall~~) must forthwith issue a proclamation giving the whole number
6 of votes cast in the state for and against such measure and declaring
7 the result. If the vote cast upon an initiative or referendum measure
8 is equal to less than one-third of the total vote cast at the election,
9 the governor (~~shall~~) must proclaim the measure to have failed.

10 (2) In the event a specific date is provided by the legislature for
11 a special election in a referendum bill, the secretary of state must,
12 in the presence of the governor, within fifteen days after the special
13 election, canvass the votes upon each question and certify to the
14 governor the result.

15 NEW SECTION. Sec. 7. Section 4 of this act takes effect January
16 1, 2012.

17 NEW SECTION. Sec. 8. Section 4 of this act expires July 1, 2013.

18 NEW SECTION. Sec. 9. Section 5 of this act takes effect July 1,
19 2013.

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