**5987-S AMS ERIC S2235.1 - NOT FOR FLOOR USE**

**SSB 5987** - S AMD **53**

By Senator Ericksen

**NOT ADOPTED 2/27/2015**

On page 64, beginning on line 11, after "46.17.335(2)." strike all material through "section." on line 17

On page 64, beginning on line 18, after "authorities" strike all material through "section" on line 21

On page 64, line 22, after "82.44 RCW" strike all material through "voters"

On page 65, after line 14, insert the following:

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

(1)(a) A motor vehicle excise tax must be calculated in an honest and accurate way. For the purpose of determining any motor vehicle excise tax otherwise authorized by law, any taxing district imposing a motor vehicle excise tax must set a vehicle's taxable value by using the depreciation schedule set forth in this section. The taxable value equals the product of a percentage based on a vehicle's year of service, as provided in subsection (2) of this section, and the latest purchase price of the vehicle. The purchase price for the first year of service must be determined by the bill of sale provided by the buyer and seller, subject to the exemptions, exceptions, and definitions provided by this section, and must be affirmed by declaration by both parties.

(b) The legislature intends that this section will ensure an honest and accurate calculation of the tax. It is further the intent of the legislature that this section, when combined with the appeal process in RCW 82.44.065, will ensure that vehicle owners are taxed fairly.

(2) For the purpose of determining the tax under this chapter, the value of a truck-type power or trailing unit, or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light duty truck, must be the latest purchase price of the vehicle, excluding applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the following percentage based on year of service of the vehicle since its most recent sale. The year the vehicle is offered for sale as a new vehicle must be considered the first year of service.

|  |  |
| --- | --- |
| YEAR OF SERVICE | PERCENTAGE |
| 1 | 100 |
| 2 | 75 |
| 3 | 55 |
| 4 | 40 |
| 5 | 25 |
| 6 | 10 |
| 7 and over | 5 |

(3) The reissuance of title and registration for a truck-type power or trailing unit or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light duty truck because of the installation of body or special equipment, must be treated as a sale, and the latest purchase price of the truck-type power or trailing unit or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light duty truck at that time, as determined by the department from such information as may be available, must be considered its base value.

(4) If the purchase price is unavailable or otherwise unascertainable or the reissuance of title and registration is the result of a gift or inheritance, the department shall determine a value equivalent to the latest purchase price by using any information that may be available, including any guidebook, report, or compendium of recognized standing in the automotive industry or the selling price and year of sale of the vehicle. The department may use an appraisal by the county assessor. In valuing a vehicle for which the current value or selling price is not indicative of the value of similar vehicles of the same year and model, the department must establish a value that more closely represents the average value of similar vehicles of the same year and model.

(5) For purposes of this section, "value" excludes value attributable to modifications of a motor vehicle and equipment that are designed to facilitate the use or operation of the motor vehicle by a person with a disability.

NEW SECTION. **Sec.**  RCW 82.44.035 (Valuation of vehicles) and 2010 c 161 s 910 & 2006 c 318 s 1 are each repealed.

**Sec.**  RCW 82.44.065 and 2010 c 161 s 912 are each amended to read as follows:

(1) If the department determines a value for a vehicle ((~~equivalent to a manufacturer's base suggested retail price~~)) under section 311 of this act or the value of a truck or trailer under ((~~RCW 82.44.035~~)) section 311 of this act, any person who pays a locally imposed tax for that vehicle may appeal the valuation to the department under chapter 34.05 RCW. If the taxpayer is successful on appeal, the department ((~~shall~~)) must refund the excess tax in the manner provided in RCW 82.44.120.

(2) The legislature intends for this section to ensure an honest and accurate calculation of the tax."

Renumber the remaining sections consecutively and correct any internal references accordingly.

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**NOT ADOPTED 2/27/2015**

On page 1, line 5 of the title, after "81.104.160," insert "82.44.065,"

On page 1, line 13 of the title, after "82.80 RCW;" insert "adding a new section to chapter 82.44 RCW;"

On page 1, line 15 of the title, after "82.38.083" insert "and 82.44.035"

EFFECT: Removes the provision that Sound Transit must use the depreciation schedule that is currently used for the motor vehicle excise tax that is collected in the Sound Transit District. Modifies the base value and depreciation schedules upon which a vehicle's value is based when calculating a motor vehicle excise tax.