**5955-S.E AMH YOUN H5165.2 - NOT FOR FLOOR USE**

**ESSB 5955** - H AMD TO TR COMM AMD (H-5153.1/18) **1383**

By Representative Young

On page 3, after line 27 of the amendment, insert the following:

"**Sec.**  RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each amended to read as follows:

(1) Regional transit authorities that include a county with a population of more than one million five hundred thousand may submit an authorizing proposition to the voters, and if approved, may levy and collect an excise tax, at a rate approved by the voters, but not exceeding eight-tenths of one percent on the value, under chapter 82.44 RCW, of every motor vehicle owned by a resident of the taxing district, solely for the purpose of providing high capacity transportation service. The maximum tax rate under this subsection does not include a motor vehicle excise tax approved before July 15, 2015, if the tax will terminate on the date bond debt to which the tax is pledged is repaid. This tax does not apply to vehicles licensed under RCW 46.16A.455 except vehicles with an unladen weight of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2). ((~~Notwithstanding any other provision of this subsection or chapter 82.44 RCW, a motor vehicle excise tax imposed by a regional transit authority before or after July 15, 2015, must comply with chapter 82.44 RCW as it existed on January 1, 1996, until December 31st of the year in which the regional transit authority repays bond debt to which a motor vehicle excise tax was pledged before July 15, 2015. Motor vehicle taxes collected by regional transit authorities after December 31st of the year in which a regional transit authority repays bond debt to which a motor vehicle excise tax was pledged before July 15, 2015, must comply with chapter 82.44 RCW as it existed on the date the tax was approved by voters.~~))

(2) An agency and high capacity transportation corridor area may impose a sales and use tax solely for the purpose of providing high capacity transportation service, in addition to the tax authorized by RCW 82.14.030, upon retail car rentals within the applicable jurisdiction that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of tax imposed under this subsection must bear the same ratio of the 2.172 percent authorized that the rate imposed under subsection (1) of this section bears to the rate authorized under subsection (1) of this section. The base of the tax is the selling price in the case of a sales tax or the rental value of the vehicle used in the case of a use tax.

(3) Any motor vehicle excise tax previously imposed under the provisions of RCW 81.104.160(1) shall be repealed, terminated, and expire on December 5, 2002, except for a motor vehicle excise tax for which revenues have been contractually pledged to repay a bonded debt issued before December 5, 2002, as determined by *Pierce County et al. v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds that were previously issued, the motor vehicle excise tax must comply with chapter 82.44 RCW as it existed on January 1, 1996.

(4) If a regional transit authority imposes the tax authorized under subsection (1) of this section, the authority may not receive any state grant funds provided in an omnibus transportation appropriations act except transit coordination grants created in chapter 11, Laws of 2015 3rd sp. sess.

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

(1) For the purpose of determining any motor vehicle excise tax otherwise authorized by law, and except as provided in this section, any taxing district imposing a motor vehicle excise tax must set a vehicle's taxable value to be the latest purchase price of the vehicle. The purchase price 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.

(2) For the purpose of determining the tax under this chapter, the taxable 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.

(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 taxable 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 must determine a taxable value that is equivalent to the latest purchase price by using the Kelley blue book. If a value equivalent using the Kelley blue book cannot be determined, the department may use any other guidebook, report, or compendium of recognized standing in the automotive industry to establish the value equivalent.

(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.

**Sec.**  RCW 82.44.035 and 2010 c 161 s 910 are each amended to read as follows:

(1) For the sole purpose of determining ((~~any locally imposed motor vehicle excise tax~~)) the market value adjustment program credit under sections 3 and 4 of this act, the value of a truck or trailer shall 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 last sale. The latest purchase year shall be considered the first year of service.

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

(2) The reissuance of a certificate of title and registration certificate for a truck or trailer because of the installation of body or special equipment shall be treated as a sale, and the value of the truck or trailer at that time, as determined by the department from such information as may be available, shall be considered the latest purchase price.

(3) For the sole purpose of determining ((~~any locally imposed motor vehicle excise tax~~)) the market value adjustment program credit under sections 3 and 4 of this act, the value of a vehicle other than a truck or trailer shall be eighty-five percent of the manufacturer's base suggested retail price of the vehicle when first offered for sale as a new vehicle, excluding any optional equipment, applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the applicable percentage listed in this subsection (3) based on year of service of the vehicle.

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

(a) The department shall determine a value 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 shall establish a value that more closely represents the average value of similar vehicles of the same year and model. The value determined in this subsection (3)(a) shall be divided by the applicable percentage listed in (b) of this subsection (3) to establish a value equivalent to a manufacturer's base suggested retail price and this value shall be multiplied by eighty-five percent.

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

|  |  |
| --- | --- |
| YEAR OF SERVICE | PERCENTAGE |
| 1 | 100 |
| 2 | 81 |
| 3 | 72 |
| 4 | 63 |
| 5 | 55 |
| 6 | 47 |
| 7 | 41 |
| 8 | 36 |
| 9 | 32 |
| 10 | 27 |
| 11 | 26 |
| 12 | 24 |
| 13 | 23 |
| 14 | 21 |
| 15 | 16 |
| 16 or older | 10 |

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

(5) The provisions in this section are for the sole purpose of calculating the market value adjustment program credit under sections 3 and 4 of this act.

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

If the department determines a value for a vehicle ((~~equivalent to a manufacturer's base suggested retail price or the value of a~~)), truck, or trailer under ((~~RCW 82.44.035~~)) section 6 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 refund the excess tax in the manner provided in RCW 82.44.120."

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

EFFECT: Removes the provision that requires a regional transit authority to use the depreciation schedule that is currently used for the motor vehicle excise tax that is collected for the regional transit authority. Requires the valuation of the vehicle to be the most recent purchase price of the vehicle, if known, or the Kelley Blue Book value otherwise.