H-5047.1

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**HOUSE BILL 2952**

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**State of Washington 66th Legislature 2020 Regular Session**

**By** Representatives Vick, Stokesbary, Dent, Harris, Van Werven, Walsh, and Graham

AN ACT Relating to removing the automatic adjustment of the per barrel hazardous substances tax rate on petroleum products; and amending RCW 82.21.030.

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

**Sec.**  RCW 82.21.030 and 2019 c 422 s 201 are each amended to read as follows:

(1)(a) A tax is imposed on the privilege of possession of hazardous substances in this state. Except as provided in (b) of this subsection, the rate of the tax is seven-tenths of one percent multiplied by the wholesale value of the substance. Moneys collected under this subsection (1)(a) must be deposited in the model toxics control capital account.

(b) Beginning July 1, 2019, the rate of the tax on petroleum products is one dollar and nine cents per barrel. The tax collected under this subsection (1)(b) on petroleum products must be deposited as follows, after first depositing the tax as provided in (c) of this subsection (1):

(i) Sixty percent to the model toxics control operating account created under RCW 70.105D.190;

(ii) Twenty-five percent to the model toxics control capital account created under RCW 70.105D.200; and

(iii) Fifteen percent to the model toxics control stormwater account created under RCW 70.105D.210.

(c) Until the beginning of the ensuing biennium after the enactment of an additive transportation funding act, fifty million dollars per biennium to the motor vehicle fund to be used exclusively for transportation stormwater activities and projects. For purposes of this subsection, "additive transportation funding act" means an act in which the combined total of new revenues deposited into the motor vehicle fund and the multimodal transportation account exceed two billion dollars per biennium attributable solely to an increase in revenue from the enactment of the act.

(d) The department must compile a list of petroleum products that are not easily measured on a per barrel basis. Petroleum products identified on the list are subject to the rate under (a) of this subsection in lieu of the volumetric rate under (b) of this subsection. The list will be made in a form and manner prescribed by the department and must be made available on the department's internet web site. In compiling the list, the department may accept technical assistance from persons that sell, market, or distribute petroleum products and consider any other resource the department finds useful in compiling the list.

(2) Chapter 82.32 RCW applies to the tax imposed in this chapter. The tax due dates, reporting periods, and return requirements applicable to chapter 82.04 RCW apply equally to the tax imposed in this chapter.

((~~(3) Beginning July 1, 2020, and every July 1st thereafter, the rate specified in subsection (1)(b) of this section must be adjusted to reflect the percentage change in the implicit price deflator for nonresidential structures as published by the United States department of commerce, bureau of economic analysis for the most recent twelve-month period ending December 31st of the prior year.~~))

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