SENATE BILL REPORT

HB 2110

As of May 24, 1995

Title: An act relating to the imposition of taxes by counties for juvenile detention facilities and jails.

Brief Description: Authorizing the imposition of taxes by counties for correctional facilities and juvenile detention facilities.

Sponsors: Representatives Campbell, Smith, Talcott, Morris, Conway, Huff, Costa, Scott, Casada, McMahan, Brumsickle and Ebersole.

Brief History:

Staff: Terry Wilson (786-7715)

Background: The sales tax is imposed on each retail sale of most articles of tangible personal property and certain services. The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition has not been subject to the sales tax. The use tax commonly applies to purchases made from out-of-state firms. The state tax rate is 6.5 percent of the selling price.

Local governments may impose local sales and use taxes on the same base as the state at the following rates (maximum local rate is 2.7%):

Counties/Cities	up to 1.0%
Criminal Justice	0.1%
High Capacity Transportation	up to 1.0% (0.9% if criminal justice tax imposed)
Transit Districts	up to 0.6%

Summary of Bill: A county with a population of less than one million may impose an additional sales and use tax of 0.1 percent if approved by the voters for the purpose of providing funds for costs associated with financing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, and improvement of juvenile detention facilities and jails.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which the bill passed.