
HOUSE BILL 2829

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By Representatives Robertson, Romero, K. Schmidt, Patterson, Mitchell, Benton, L. Thomas, Stevens and Koster

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1 AN ACT Relating to disposition of motor vehicle excise taxes;
2 amending RCW 82.44.150; reenacting and amending RCW 82.44.110; and
3 providing an effective date.

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

5 **Sec. 1.** RCW 82.44.110 and 1995 1st sp.s. c 15 s 2 and 1995 c 398
6 s 14 are each reenacted and amended to read as follows:

7 The county auditor shall regularly, when remitting license fee
8 receipts, pay over and account to the director of licensing for the
9 excise taxes collected under the provisions of this chapter. The
10 director shall forthwith transmit the excise taxes to the state
11 treasurer.

12 (1) The state treasurer shall deposit the excise taxes collected
13 under RCW 82.44.020(1) as follows:

14 (a) 1.60 percent into the motor vehicle fund to defray
15 administrative and other expenses incurred by the department in the
16 collection of the excise tax.

17 (b) 8.15 percent into the Puget Sound capital construction account
18 in the motor vehicle fund.

1 (c) 4.07 percent into the Puget Sound ferry operations account in
2 the motor vehicle fund.

3 (d) 5.88 percent into the general fund to be distributed under RCW
4 82.44.155.

5 (e) 4.75 percent into the municipal sales and use tax equalization
6 account in the general fund created in RCW 82.14.210.

7 (f) 1.60 percent into the county sales and use tax equalization
8 account in the general fund created in RCW 82.14.200.

9 (g) (~~62.6440 percent into the general fund through June 30, 1995,~~
10 ~~and 57.6440 percent into the general fund beginning July 1, 1995.~~)
11 21.3700 percent into the general fund beginning July 1, 1996; 17.0960
12 percent into the general fund beginning July 1, 1997; 12.8220 percent
13 into the general fund beginning July 1, 1998; 8.5480 percent into the
14 general fund beginning July 1, 1999; 4.2740 percent into the general
15 fund beginning July 1, 2000; 0 percent into the general fund beginning
16 July 1, 2001.

17 (h) (~~5 percent into the transportation fund created in RCW~~
18 ~~82.44.180 beginning July 1, 1995.~~) 41.2740 percent into the
19 transportation fund created in RCW 82.44.180 beginning July 1, 1996;
20 45.5480 percent into the transportation fund beginning July 1, 1997;
21 49.8220 percent into the transportation fund beginning July 1, 1998;
22 54.0960 percent into the transportation fund beginning July 1, 1999;
23 58.3700 percent into the transportation fund beginning July 1, 2000;
24 62.6440 percent into the transportation fund beginning July 1, 2001.

25 (i) 5.9686 percent into the county criminal justice assistance
26 account created in RCW 82.14.310.

27 (j) 1.1937 percent into the municipal criminal justice assistance
28 account for distribution under RCW 82.14.320.

29 (k) 1.1937 percent into the municipal criminal justice assistance
30 account for distribution under RCW 82.14.330.

31 (l) 2.95 percent into the county public health account created in
32 RCW 70.05.125.

33 Notwithstanding (i) through (k) of this subsection, no more than
34 sixty million dollars shall be deposited into the accounts specified in
35 (i) through (k) of this subsection for the period January 1, 1994,
36 through June 30, 1995. Not more than five percent of the funds
37 deposited to these accounts shall be available for appropriations for
38 enhancements to the state patrol crime laboratory system and the
39 continuing costs related to these enhancements. Motor vehicle excise

1 tax funds appropriated for such enhancements shall not supplant
2 existing funds from the state general fund. For the fiscal year ending
3 June 30, 1998, and for each fiscal year thereafter, the amounts
4 deposited into the accounts specified in (i) through (k) of this
5 subsection shall not increase by more than the amounts deposited into
6 those accounts in the previous fiscal year increased by the implicit
7 price deflator for the previous fiscal year. Any revenues in excess of
8 this amount shall be deposited into the (~~general~~) transportation
9 fund.

10 (2) The state treasurer shall deposit the excise taxes collected
11 under RCW 82.44.020(2) into the transportation fund.

12 (3) The state treasurer shall deposit the excise tax imposed by RCW
13 82.44.020(3) into the air pollution control account created by RCW
14 70.94.015.

15 **Sec. 2.** RCW 82.44.150 and 1995 2nd sp.s. c 14 s 538 are each
16 amended to read as follows:

17 (1) The director of licensing shall, on the twenty-fifth day of
18 February, May, August, and November of each year, advise the state
19 treasurer of the total amount of motor vehicle excise taxes imposed by
20 RCW 82.44.020 (1) and (2) remitted to the department during the
21 preceding calendar quarter ending on the last day of March, June,
22 September, and December, respectively, except for those payable under
23 RCW 82.44.030, from motor vehicle owners residing within each
24 municipality which has levied a tax under RCW 35.58.273, which amount
25 of excise taxes shall be determined by the director as follows:

26 The total amount of motor vehicle excise taxes remitted to the
27 department, except those payable under RCW 82.44.020(3) and 82.44.030,
28 from each county shall be multiplied by a fraction, the numerator of
29 which is the population of the municipality residing in such county,
30 and the denominator of which is the total population of the county in
31 which such municipality or portion thereof is located. The product of
32 this computation shall be the amount of excise taxes from motor vehicle
33 owners residing within such municipality or portion thereof. Where the
34 municipality levying a tax under RCW 35.58.273 is located in more than
35 one county, the above computation shall be made by county, and the
36 combined products shall provide the total amount of motor vehicle
37 excise taxes from motor vehicle owners residing in the municipality as
38 a whole. Population figures required for these computations shall be

1 supplied to the director by the office of financial management, who
2 shall adjust the fraction annually.

3 (2) On the first day of the months of January, April, July, and
4 October of each year, the state treasurer based upon information
5 provided by the department shall, from motor vehicle excise taxes
6 deposited in the (~~general~~) transportation fund, under RCW
7 82.44.110(1)(~~g~~) h, make the following deposits:

8 (a) To the high capacity transportation account created in RCW
9 47.78.010, a sum equal to four and five-tenths percent of the special
10 excise tax levied under RCW 35.58.273 by those municipalities
11 authorized to levy a special excise tax within each county that has a
12 population of one hundred seventy-five thousand or more and has an
13 interstate highway within its borders; except that in a case of a
14 municipality located in a county that has a population of one hundred
15 seventy-five thousand or more that does not have an interstate highway
16 located within its borders, that sum shall be deposited in the
17 passenger ferry account;

18 (b) To the central Puget Sound public transportation account
19 created in RCW 82.44.180, for revenues distributed after December 31,
20 1992, within a county with a population of one million or more and a
21 county with a population of from two hundred thousand to less than one
22 million bordering a county with a population of one million or more, a
23 sum equal to the difference between (i) the special excise tax levied
24 and collected under RCW 35.58.273 by those municipalities authorized to
25 levy and collect a special excise tax subject to the requirements of
26 subsections (3) and (4) of this section and (ii) the special excise tax
27 that the municipality would otherwise have been eligible to levy and
28 collect at a tax rate of .815 percent and been able to match with
29 locally generated tax revenues, other than the excise tax imposed under
30 RCW 35.58.273, budgeted for any public transportation purpose. Before
31 this deposit, the sum shall be reduced by an amount equal to the amount
32 distributed under (a) of this subsection for each of the municipalities
33 within the counties to which this subsection (2)(b) applies; however,
34 any transfer under this subsection (2)(b) must be greater than zero;

35 (c) To the public transportation systems account created in RCW
36 82.44.180, for revenues distributed after December 31, 1992, within
37 counties not described in (b) of this subsection, a sum equal to the
38 difference between (i) the special excise tax levied and collected
39 under RCW 35.58.273 by those municipalities authorized to levy and

1 collect a special excise tax subject to the requirements of subsections
2 (3) and (4) of this section and (ii) the special excise tax that the
3 municipality would otherwise have been eligible to levy and collect at
4 a tax rate of .815 percent and been able to match with locally
5 generated tax revenues, other than the excise tax imposed under RCW
6 35.58.273, budgeted for any public transportation purpose. Before this
7 deposit, the sum shall be reduced by an amount equal to the amount
8 distributed under (a) of this subsection for each of the municipalities
9 within the counties to which this subsection (2)(c) applies; however,
10 any transfer under this subsection (2)(c) must be greater than zero;
11 and

12 (d) To (~~the general fund, for revenues distributed after June 30,~~
13 ~~1993, and to~~) the transportation fund, (~~for revenues distributed~~
14 ~~after June 30, 1995,~~) a sum equal to the difference between (i) the
15 special excise tax levied and collected under RCW 35.58.273 by those
16 municipalities authorized to levy and collect a special excise tax
17 subject to the requirements of subsections (3) and (4) of this section
18 and (ii) the special excise tax that the municipality would otherwise
19 have been eligible to levy and collect at a tax rate of .815 percent
20 notwithstanding the requirements set forth in subsections (3) through
21 (6) of this section, reduced by an amount equal to distributions made
22 under (a), (b), and (c) of this subsection and RCW 82.14.046.

23 (3) On the first day of the months of January, April, July, and
24 October of each year, the state treasurer, based upon information
25 provided by the department, shall remit motor vehicle excise tax
26 revenues imposed and collected under RCW 35.58.273 as follows:

27 (a) The amount required to be remitted by the state treasurer to
28 the treasurer of any municipality levying the tax shall not exceed in
29 any calendar year the amount of locally-generated tax revenues,
30 excluding (i) the excise tax imposed under RCW 35.58.273 for the
31 purposes of this section, which shall have been budgeted by the
32 municipality to be collected in such calendar year for any public
33 transportation purposes including but not limited to operating costs,
34 capital costs, and debt service on general obligation or revenue bonds
35 issued for these purposes; and (ii) the sales and use tax equalization
36 distributions provided under RCW 82.14.046; and

37 (b) In no event may the amount remitted in a single calendar
38 quarter exceed the amount collected on behalf of the municipality under
39 RCW 35.58.273 during the calendar quarter next preceding the

1 immediately preceding quarter, excluding the sales and use tax
2 equalization distributions provided under RCW 82.14.046.

3 (4) At the close of each calendar year accounting period, but not
4 later than April 1, each municipality that has received motor vehicle
5 excise taxes under subsection (3) of this section shall transmit to the
6 director of licensing and the state auditor a written report showing by
7 source the previous year's budgeted tax revenues for public
8 transportation purposes as compared to actual collections. Any
9 municipality that has not submitted the report by April 1 shall cease
10 to be eligible to receive motor vehicle excise taxes under subsection
11 (3) of this section until the report is received by the director of
12 licensing. If a municipality has received more or less money under
13 subsection (3) of this section for the period covered by the report
14 than it is entitled to receive by reason of its locally-generated
15 collected tax revenues, the director of licensing shall, during the
16 next ensuing quarter that the municipality is eligible to receive motor
17 vehicle excise tax funds, increase or decrease the amount to be
18 remitted in an amount equal to the difference between the locally-
19 generated budgeted tax revenues and the locally-generated collected tax
20 revenues. In no event may the amount remitted for a calendar year
21 exceed the amount collected on behalf of the municipality under RCW
22 35.58.273 during that same calendar year excluding the sales and use
23 tax equalization distributions provided under RCW 82.14.046. At the
24 time of the next fiscal audit of each municipality, the state auditor
25 shall verify the accuracy of the report submitted and notify the
26 director of licensing of any discrepancies.

27 (5) The motor vehicle excise taxes imposed under RCW 35.58.273 and
28 required to be remitted under this section and RCW 82.14.046 shall be
29 remitted without legislative appropriation.

30 (6) Any municipality levying and collecting a tax under RCW
31 35.58.273 which does not have an operating, public transit system or a
32 contract for public transportation services in effect within one year
33 from the initial effective date of the tax shall return to the state
34 treasurer all motor vehicle excise taxes received under subsection (3)
35 of this section.

36 NEW SECTION. **Sec. 3.** This act takes effect July 1, 1996.

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