

2 **SHB 2858** - S COMM AMD
3 By Committee on Transportation

4 ADOPTED 3/5/98

5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 82.44.023 and 1994 c 227 s 3 are each amended to read
8 as follows:

9 Rental cars as defined in RCW 46.04.465 are exempt from the taxes
10 imposed in RCW 82.44.020 (1) and (2). When a rental car ceases to be
11 used for rental car purposes (~~and at the time of its retail sale, the~~
12 ~~excise tax imposed in RCW 82.44.020 (1) and (2) shall be imposed in an~~
13 ~~amount equal to one twelfth of the annual excise tax then in effect,~~
14 ~~for each full month remaining in the vehicle's registration year)) the
15 year and month tabs on the license plates shall be altered by the
16 rental car company in such a manner as to render the plate void of any
17 designation of month and year. The department of licensing shall, by
18 rule, set forth the process of alteration and shall provide at no cost
19 to the rental car company, any materials necessary to render the plate
20 void of any designation of the month and year tabs. At the time of
21 retail sale, motor vehicle excise tax and applicable licensing fees
22 will be collected for a full twelve months.~~

23 NEW SECTION. **Sec. 2.** The vehicle services division of the
24 department of licensing shall convene a study group to include
25 representatives from the department of licensing, the department of
26 revenue, the rental car industry, and the franchised vehicle dealers
27 industry. The study group shall conduct an assessment of the
28 registration year impact during the period of January 1, 1997, through
29 July 1, 1999, upon the requirements of RCW 46.16.006, 82.08.020, and
30 chapter 82.44 RCW and whether the tax rate currently set on car rental
31 transactions provides revenue neutrality. The study group shall report
32 its findings and recommendations, if any, to the transportation
33 committees of the house of representatives and senate by December 31,
34 1998.

