

HOUSE OF REPRESENTATIVES

Olympia Washington

Bill Analysis

Bill No. SB SSB 5903

Use of hotel-motel taxes/performance facilities
Brief title

Public Arg: 4/2/97

Comm. Govt Op. (Sen Hale/Morton/Wood)
Sponsor

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BACKGROUND:

Counties and cities are authorized to impose a wide range of excise taxes on hotel/motel room rental charges.

Every county and city may impose a basic excise tax on hotel/motel room rental charges of up to 2 percent, that is credited against the state's sales tax with receipts earmarked for a variety of uses, including the construction and maintenance of stadia and performing arts facilities to promote tourism.

In addition, individual cities and counties have been authorized to impose a variety of other special excise taxes on hotel/motel room rental charges with the proceeds earmarked for a variety of different purposes. Unlike the basic local government excise tax on hotel/motel room rental charges, these special excise taxes are in addition to the sales and use taxes and any other hotel/motel tax that are imposed on hotel/motel room rental charges.

Any city with a population of at least 30,000, that is located in a county with a population of at least 100,000 but less than 145,000, may impose a special excise tax on hotel/motel room rental charges of not to exceed 2 percent. Proceeds from this tax may only be used to finance the construction and operation of convention center facilities. At present only Richland and Kennewick meet this description.

SUMMARY:

Receipts from the special excise tax on hotel/motel room rental charges that a city with a population of at least 30,000, that is located in a county with a population of at least 100,000 but less than 145,000, may impose are expanded to include the construction and operation of performing and cultural arts facilities.

FISCAL NOTE: Not requested.

EFFECTIVE DATE: Ninety days after adjournment of session in which bill passed.