

FINAL BILL REPORT

SB 5353

C 301 L 97
Synopsis as Enacted

Brief Description: Limiting the tax exemption for motor vehicles.

Sponsors: Senators Benton, Wood, Brown, Rossi, Stevens and Winsley.

Senate Committee on Ways & Means

Background: Use tax is imposed on the use of an item in this state, when the acquisition of the item has not been subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out of state, and items produced by the person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used. Use tax is paid directly to the Department of Revenue.

Under current law, new residents to the state are exempt from paying use tax on household goods, personal effects and private automobiles.

Summary: The use tax exemption is extended from automobiles to include other vehicles such as motorcycles and mopeds.

Votes on Final Passage:

Senate	45	0
House	95	2

Effective: July 27, 1997