

2 **HB 2723** - H AMD
3 By Representative Woods

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5 On page 17, beginning on line 25, strike all of section 18 and
6 insert the following:

7 "NEW SECTION. Sec. 18. A new section is added to chapter 47.46
8 RCW to read as follows:

9 CREDIT ON SALES TAX. (1) The tax imposed and collected under
10 chapters 82.08 and 82.12 RCW, less any credits allowed under chapter
11 82.14 RCW, on the site preparation for, the construction of, the
12 acquisition of any related machinery and equipment that will become a
13 part of, and the rental of equipment for use in the state route number
14 16 corridor improvements under this chapter must be transferred to the
15 project or identified as a credit on the project to lower the overall
16 cost of the project and thereby the amount or term of the tolls.

17 (2) This transaction is exempt from the requirements in RCW
18 43.135.035(4).

19 (3) Government entities constructing projects eligible for a
20 transfer or credit of taxes under this section shall report the amount
21 of state sales or use tax covered under this section to the department
22 of revenue.

23 NEW SECTION. Sec. 19. A new section is added to chapter 43.135
24 RCW to read as follows:

25 PROJECT SALES AND USE TAX CREDIT SHIFT. Any transfer or credit
26 from the general fund of sales and use tax paid under section 18 of
27 this act does not require a corresponding lowering of the state
28 expenditure limit to reflect this shift for purposes of RCW
29 43.135.035(4)."

30 Renumber the sections following consecutively, correct any internal
31 references accordingly, and correct the title.

EFFECT: Authorizes a transfer or credit of sales tax paid on the construction of SR 16 corridor improvements under the public private initiatives act back to the project.

--- **END** ---