ENGROSSED SENATE BILL 6198

State of Washington 57th Legislature 2001 Second Special Session

By Senators Prentice, Deccio, B. Sheldon, Honeyford, T. Sheldon, Jacobsen and Rasmussen

READ FIRST TIME 06/08/2001. HELD AT THE DESK. 06/15/2001. UNDER SUSPENSION OF THE RULES, PLACED ON SECOND READING CALENDAR.

1 AN ACT Relating to contracts concerning the sale of cigarettes; and 2 amending RCW 43.06.---.

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

4 **Sec. 1.** RCW 43.06.--- and 2001 c 235 s 3 are each amended to read 5 as follows:

(1) The governor is authorized to enter into cigarette tax б 7 contracts with the Squaxin Island Tribe, the Nisqually Tribe, Tulalip Tribes, the Muckleshoot Indian Tribe, the Ouinault Nation, the 8 9 Jamestown S'Klallam Indian Tribe, the Port Gamble S'Klallam Tribe, the 10 Stillaguamish Tribe, the Sauk-Suiattle Tribe, the Skokomish Indian Tribe, the Yakama Nation, the Suguamish Tribe, the Nooksack Indian 11 Tribe, the Lummi Nation, the Chehalis Confederated Tribes, and the 12 13 Upper Skagit Tribe. Each contract adopted under this section shall 14 provide that the tribal cigarette tax rate be one hundred percent of 15 the state cigarette and state and local sales and use taxes within three years of enacting the tribal tax and shall be set no lower than 16 17 eighty percent of the state cigarette and state and local sales and use taxes during the three-year phase-in period. The three-year phase-in 18 19 period shall be shortened by three months each quarter the number of

cartons of nontribal manufactured cigarettes is at least ten percent or 1 more than the quarterly average number of cartons of nontribal 2 manufactured cigarettes from the six-month period preceding the 3 4 imposition of the tribal tax under the contract. Sales at a retailer operation not in existence as of the date a tribal tax under this 5 section is imposed are subject to the full rate of the tribal tax under 6 the contract. The tribal cigarette tax is in lieu of the state 7 8 cigarette and state and local sales and use taxes, as provided in RCW 9 43.06.---(3) (section 2, chapter 235, Laws of 2001).

(2) A cigarette tax contract under this section is subject to RCW
43.06.--- (section 2, chapter 235, Laws of 2001).

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