

SHB 1147 - H AMD 420

By Representative Stokesbary

1 On page 81, after line 27, insert the following:

2 "Sec. 714. RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are
3 each amended to read as follows:

4 (1) Regional transit authorities that include a county with a
5 population of more than one million five hundred thousand may submit
6 an authorizing proposition to the voters, and if approved, may levy
7 and collect an excise tax, at a rate approved by the voters, but not
8 exceeding eight-tenths of one percent on the value, under chapter
9 82.44 RCW, of every motor vehicle owned by a resident of the taxing
10 district, solely for the purpose of providing high capacity
11 transportation service. The maximum tax rate under this subsection
12 does not include a motor vehicle excise tax approved before July 15,
13 2015, if the tax will terminate on the date bond debt to which the
14 tax is pledged is repaid. This tax does not apply to vehicles
15 licensed under RCW 46.16A.455 except vehicles with an unladen weight
16 of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2).
17 Except as provided below during the 2017-2019 fiscal biennium, and
18 notwithstanding any other provision of this subsection or chapter
19 82.44 RCW, a motor vehicle excise tax imposed by a regional transit
20 authority before or after July 15, 2015, must comply with chapter
21 82.44 RCW as it existed on January 1, 1996, until December 31st of
22 the year in which the regional transit authority repays bond debt to
23 which a motor vehicle excise tax was pledged before July 15, 2015.
24 Motor vehicle taxes collected by regional transit authorities after
25 December 31st of the year in which a regional transit authority
26 repays bond debt to which a motor vehicle excise tax was pledged
27 before July 15, 2015, must comply with chapter 82.44 RCW as it

1 existed on the date the tax was approved by voters. With respect to
2 bond debt incurred during the 2017-2019 fiscal biennium, and to
3 which the motor vehicle excise tax is pledged, the tax must be based
4 on base model Kelley blue book values during the 2017-2019 fiscal
5 biennium.

6 (2) An agency and high capacity transportation corridor area may
7 impose a sales and use tax solely for the purpose of providing high
8 capacity transportation service, in addition to the tax authorized
9 by RCW 82.14.030, upon retail car rentals within the applicable
10 jurisdiction that are taxable by the state under chapters 82.08 and
11 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of
12 tax imposed under this subsection must bear the same ratio of the
13 2.172 percent authorized that the rate imposed under subsection (1)
14 of this section bears to the rate authorized under subsection (1) of
15 this section. The base of the tax is the selling price in the case
16 of a sales tax or the rental value of the vehicle used in the case
17 of a use tax.

18 (3) Any motor vehicle excise tax previously imposed under the
19 provisions of RCW 81.104.160(1) shall be repealed, terminated, and
20 expire on December 5, 2002, except for a motor vehicle excise tax
21 for which revenues have been contractually pledged to repay a bonded
22 debt issued before December 5, 2002, as determined by *Pierce County*
23 *et al. v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of
24 bonds that were previously issued, the motor vehicle excise tax must
25 comply with chapter 82.44 RCW as it existed on January 1, 1996.

26 (4) If a regional transit authority imposes the tax authorized under
27 subsection (1) of this section, the authority may not receive any
28 state grant funds provided in an omnibus transportation
29 appropriations act except transit coordination grants created in
30 chapter 11, Laws of 2015 3rd sp. sess.

31
32 **Sec. 715.** RCW 82.44.035 and 2010 c 161 s 910 are each amended
33 to read as follows:
34

1 (1) For the purpose of determining any locally imposed motor
2 vehicle excise tax, except as provided in RCW 81.104.160 during the
3 2017-2019 fiscal biennium, the value of a truck or trailer shall be
4 the latest purchase price of the vehicle, excluding applicable
5 federal excise taxes, state and local sales or use taxes,
6 transportation or shipping costs, or preparatory or delivery costs,
7 multiplied by the following percentage based on year of service of
8 the vehicle since last sale. The latest purchase year shall be
9 considered the first year of service.

| 10 | YEAR OF SERVICE | PERCENTAGE |
|----|-----------------|------------|
| 11 | 1 | 100 |
| 12 | 2 | 81 |
| 13 | 3 | 67 |
| 14 | 4 | 55 |
| 15 | 5 | 45 |
| 16 | 6 | 37 |
| 17 | 7 | 30 |
| 18 | 8 | 25 |
| 19 | 9 | 20 |
| 20 | 10 | 16 |
| 21 | 11 | 13 |
| 22 | 12 | 11 |
| 23 | 13 | 9 |
| 24 | 14 | 7 |
| 25 | 15 | 3 |
| 26 | 16 or older | 0 |

27 (2) The reissuance of a certificate of title and registration
28 certificate for a truck or trailer because of the installation of
29 body or special equipment shall be treated as a sale, and the value
30 of the truck or trailer at that time, as determined by the
31 department from such information as may be available, shall be
32 considered the latest purchase price.

33 (3) For the purpose of determining any locally imposed motor
34 vehicle excise tax, except as provided in RCW 81.104.160 during the

1 2017-2019 fiscal biennium, the value of a vehicle other than a truck
2 or trailer shall be eighty-five percent of the manufacturer's base
3 suggested retail price of the vehicle when first offered for sale as
4 a new vehicle, excluding any optional equipment, applicable federal
5 excise taxes, state and local sales or use taxes, transportation or
6 shipping costs, or preparatory or delivery costs, multiplied by the
7 applicable percentage listed in this subsection (3) based on year of
8 service of the vehicle.

9 If the manufacturer's base suggested retail price is unavailable
10 or otherwise unascertainable at the time of initial registration in
11 this state, the department shall determine a value equivalent to a
12 manufacturer's base suggested retail price as follows:

13 (a) The department shall determine a value using any information
14 that may be available, including any guidebook, report, or
15 compendium of recognized standing in the automotive industry or the
16 selling price and year of sale of the vehicle. The department may
17 use an appraisal by the county assessor. In valuing a vehicle for
18 which the current value or selling price is not indicative of the
19 value of similar vehicles of the same year and model, the department
20 shall establish a value that more closely represents the average
21 value of similar vehicles of the same year and model. The value
22 determined in this subsection (3)(a) shall be divided by the
23 applicable percentage listed in (b) of this subsection (3) to
24 establish a value equivalent to a manufacturer's base suggested
25 retail price and this value shall be multiplied by eighty-five
26 percent.

27 (b) The year the vehicle is offered for sale as a new vehicle
28 shall be considered the first year of service.

| 29 | YEAR OF SERVICE | PERCENTAGE |
|----|-----------------|------------|
| 30 | 1 | 100 |
| 31 | 2 | 81 |
| 32 | 3 | 72 |
| 33 | 4 | 63 |
| 34 | 5 | 55 |

| | | |
|----|-------------|----|
| 1 | 6 | 47 |
| 2 | 7 | 41 |
| 3 | 8 | 36 |
| 4 | 9 | 32 |
| 5 | 10 | 27 |
| 6 | 11 | 26 |
| 7 | 12 | 24 |
| 8 | 13 | 23 |
| 9 | 14 | 21 |
| 10 | 15 | 16 |
| 11 | 16 or older | 10 |

12 (4) For purposes of this chapter, value shall exclude value
13 attributable to modifications of a vehicle and equipment that are
14 designed to facilitate the use or operation of the vehicle by a
15 person with a disability."

16

17 Correct the title.

18

EFFECT: Requires that bond debt incurred by certain regional transit authorities during the 2017-2019 fiscal biennium that pledges motor vehicle excise taxes must base that tax on base model Kelley Blue Book values.

FISCAL IMPACT: No net change to appropriated levels.

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