

CERTIFICATION OF ENROLLMENT
SUBSTITUTE SENATE BILL 5611

52nd Legislature
1991 Regular Session

Passed by the Senate April 22, 1991
Yeas 45 Nays 0

President of the Senate

Passed by the House April 15, 1991
Yeas 95 Nays 0

**Speaker of the
House of Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Gordon Golob, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5611** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5611

AS AMENDED BY THE HOUSE

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Matson, Patterson, Snyder and Conner).

Read first time February 27, 1991.

1 AN ACT Relating to a tax on the rental of fleet vehicles; and
2 creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) The legislative transportation
5 committee, in cooperation with the state department of licensing, car
6 rental industry, the state department of transportation, the state
7 department of revenue, and other interested parties shall conduct a
8 study for the purpose of analyzing motor vehicle excise, sales and
9 business and occupation taxes imposed upon fleet rental vehicles in the
10 state of Washington. The study shall include but not be limited to the
11 following components:

12 (a) Whether the motor vehicle excise tax as now imposed upon the
13 car rental industry is fair and equitable;

1 (b) Whether there are alternative taxes that may be more equitably
2 applied to the car rental industry, and how such taxes would impact the
3 state, local governments including transit agencies, and the consumer;

4 (c) Whether alternative taxes will return to the state and local
5 governments including transit agencies an amount approximately equal to
6 that of the motor vehicle excise tax;

7 (d) The impacts of business and occupation taxes for in-state and
8 out-of-state fleet purchases by rental companies;

9 (e) Whether or not more rental vehicles would be purchased and
10 registered in-state as a result of proposed tax alternatives; and

11 (f) What, if any, additional costs or administrative difficulties
12 would result from alternative methods of taxation.

13 (2) The study participants shall agree upon the type and extent of
14 data required to analyze current and potential taxation alternatives.
15 At a minimum, total motor vehicle excise tax collections attributable
16 to rental car companies and total gross revenues as recorded on rental
17 car agreements shall be obtained. Other data elements that may be
18 considered include (a) usage of rental vehicles that have in-state
19 versus out-of-state plates and the associated revenue with such usage,
20 and (b) rental vehicles used in Washington and the associated revenue
21 generated from such vehicles that are registered under the
22 international registration plan.

23 (3) If the required data is not currently available, new methods
24 for obtaining the agreed upon data shall be developed by the
25 appropriate state agency or agencies to fulfill the purpose of this
26 study.

27 (4) The study shall include findings and recommendations and shall
28 be submitted to the legislative transportation committee no later than
29 January 1, 1993. An interim report shall be submitted by January 1,
30 1992.