
ENGROSSED SUBSTITUTE HOUSE BILL 1862

State of Washington

53rd Legislature

1993 Regular Session

By House Committee on Revenue (originally sponsored by Representatives Mastin, Grant, Ludwig, Bray and Jacobsen)

Read first time 03/08/93.

1 AN ACT Relating to a special excise tax on hotel, motel,
2 roominghouse, and trailer camp charges; amending RCW 67.28.240; and
3 adding a new section to chapter 67.28 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 67.28 RCW
6 to read as follows:

7 (1) The legislative body of a city with a population of over ten
8 thousand in a county that is the smallest county in a metropolitan
9 statistical area as defined on the effective date of this act that has
10 a population of between thirty-eight thousand and fifty thousand may
11 levy and collect a special excise tax not to exceed two percent on the
12 sale of or charge made for the furnishing of lodging by a hotel,
13 roominghouse, tourist court, motel, trailer camp, and the granting of
14 a similar license to use real property, as distinguished from the
15 renting or leasing of real property. For the purposes of this tax, it
16 is presumed that the occupancy of real property for a continuous period
17 of one month or more constitutes a rental or lease of real property and
18 not a mere license to use or to enjoy the property.

1 (2) The tax authorized in subsection (1) of this section is in
2 addition to any other tax authorized by law.

3 (3) A seller, as defined in RCW 82.08.010, who is required to
4 collect a tax under this section, shall pay the tax to the city as
5 provided in RCW 67.28.200. The deduction from state taxes under RCW
6 67.28.190 does not apply to taxes imposed under this section.

7 (4) The tax levied and collected under this section must be
8 credited to a special fund of the city. The taxes may be levied only
9 for the purpose of paying any part of the cost of siting, acquisition,
10 construction, operation, and maintenance of a trade recreation
11 agricultural center, which facility includes an exhibition hall, a
12 meeting and convention center, and an agricultural arena, in the city
13 and may be used for and pledged to the payment of bonds, leases, or
14 other obligations incurred for these purposes.

15 (5) The effective date of the tax imposed under this section shall
16 not be before the city has completed financing arrangements for all
17 funding for the facility authorized under subsection (4) of this
18 section. The tax imposed under this section shall expire when all
19 obligations for which the taxes have been pledged are satisfied.

20 **Sec. 2.** RCW 67.28.240 and 1991 c 363 s 140 are each amended to
21 read as follows:

22 (1) The legislative body of a county that qualified under RCW
23 67.28.180(2)(b) other than a county with a population of one million or
24 more and the legislative bodies of cities in the qualifying county are
25 each authorized to levy and collect a special excise tax of (~~two~~)
26 three percent on the sale of or charge made for the furnishing of
27 lodging by a hotel, rooming house, tourist court, motel, trailer camp,
28 and the granting of any similar license to use real property, as
29 distinguished from the renting or leasing of real property. For the
30 purposes of this tax, it shall be presumed that the occupancy of real
31 property for a continuous period of one month or more constitutes a
32 rental or lease of real property and not a mere license to use or to
33 enjoy the same.

34 (2) No city may impose the special excise tax authorized in
35 subsection (1) of this section during the time the city is imposing the
36 tax under RCW 67.28.180, and no county may impose the special excise
37 tax authorized in subsection (1) of this section until such time as

1 those cities within the county containing at least one-half of the
2 total incorporated population have imposed the tax.

3 (3) Any county ordinance or resolution adopted under this section
4 shall contain, in addition to all other provisions required to conform
5 to this chapter, a provision allowing a credit against the county tax
6 for the full amount of any city tax imposed under this section upon the
7 same taxable event.

8 (4) Any seller, as defined in RCW 82.08.010, who is required to
9 collect any tax under this section shall pay over such tax to the
10 county or city as provided in RCW 67.28.200. The deduction from state
11 taxes under RCW 67.28.190 does not apply to taxes imposed under this
12 section.

--- END ---