
SUBSTITUTE HOUSE BILL 1694

State of Washington

54th Legislature

1995 Regular Session

By House Committee on Transportation (originally sponsored by Representatives R. Fisher, K. Schmidt, Romero, Patterson, Quall and Costa)

Read first time 02/24/95.

1 AN ACT Relating to motor vehicle excise tax distributions to
2 transportation accounts; amending RCW 82.44.150; creating a new
3 section; providing an effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 82.44.150 and 1994 c 241 s 1 are each amended to read
6 as follows:

7 (1) The director of licensing shall, on the twenty-fifth day of
8 February, May, August, and November of each year, advise the state
9 treasurer of the total amount of motor vehicle excise taxes imposed by
10 RCW 82.44.020 (1) and (2) remitted to the department during the
11 preceding calendar quarter ending on the last day of March, June,
12 September, and December, respectively, except for those payable under
13 RCW 82.44.030, from motor vehicle owners residing within each
14 municipality which has levied a tax under RCW 35.58.273, which amount
15 of excise taxes shall be determined by the director as follows:

16 The total amount of motor vehicle excise taxes remitted to the
17 department, except those payable under RCW 82.44.020(3) and 82.44.030,
18 from each county shall be multiplied by a fraction, the numerator of
19 which is the population of the municipality residing in such county,

1 and the denominator of which is the total population of the county in
2 which such municipality or portion thereof is located. The product of
3 this computation shall be the amount of excise taxes from motor vehicle
4 owners residing within such municipality or portion thereof. Where the
5 municipality levying a tax under RCW 35.58.273 is located in more than
6 one county, the above computation shall be made by county, and the
7 combined products shall provide the total amount of motor vehicle
8 excise taxes from motor vehicle owners residing in the municipality as
9 a whole. Population figures required for these computations shall be
10 supplied to the director by the office of financial management, who
11 shall adjust the fraction annually.

12 (2) On the first day of the months of January, April, July, and
13 October of each year, the state treasurer based upon information
14 provided by the department shall, from motor vehicle excise taxes
15 deposited in the general fund, under RCW 82.44.110(1)(g), make the
16 following deposits:

17 (a) To the high capacity transportation account created in RCW
18 47.78.010, a sum equal to four and five-tenths percent of the special
19 excise tax levied and collected under RCW 35.58.273 by those
20 municipalities authorized to levy a special excise tax within (i) each
21 county with a population of two hundred ten thousand or more and (ii)
22 each county with a population of from one hundred twenty-five thousand
23 to less than two hundred ten thousand except for those counties that do
24 not border a county with a population as described in subsection (i) of
25 this subsection;

26 (b) To the central Puget Sound public transportation account
27 created in RCW 82.44.180, for revenues distributed after (~~December 31,~~
28 ~~1992~~) June 30, 1995, within a county with a population of one million
29 or more and a county with a population of from two hundred thousand to
30 less than one million bordering a county with a population of one
31 million or more, a sum equal to (~~the difference between (i) the~~
32 ~~special excise tax levied and collected under RCW 35.58.273 by those~~
33 ~~municipalities authorized to levy and collect a special excise tax~~
34 ~~subject to the requirements of subsections (3) and (4) of this section~~
35 ~~and (ii) the special excise tax that the municipality would otherwise~~
36 ~~have been eligible to levy and collect at a tax rate of .815 percent~~
37 ~~and been able to match with locally generated tax revenues, other than~~
38 ~~the excise tax imposed under RCW 35.58.273, budgeted for any public~~
39 ~~transportation purpose. Before this deposit, the sum shall be reduced~~

1 by an amount equal to the amount distributed under (a) of this
2 subsection for each of the municipalities within the counties to which
3 this subsection (2)(b) applies; however, any transfer under this
4 subsection (2)(b) must be greater than zero)) six and fifty hundredths
5 percent of the special excise tax levied and collected under RCW
6 35.58.273 by those municipalities authorized to levy a special excise
7 tax;

8 (c) To the public transportation systems account created in RCW
9 82.44.180, for revenues distributed after ((~~December 31, 1992~~)) June
10 30, 1995, within counties not described in (b) of this subsection, a
11 sum equal to ((~~the difference between (i) the special excise tax levied~~
12 ~~and collected under RCW 35.58.273 by those municipalities authorized to~~
13 ~~levy and collect a special excise tax subject to the requirements of~~
14 ~~subsections (3) and (4) of this section and (ii) the special excise tax~~
15 ~~that the municipality would otherwise have been eligible to levy and~~
16 ~~collect at a tax rate of .815 percent and been able to match with~~
17 ~~locally generated tax revenues, other than the excise tax imposed under~~
18 ~~RCW 35.58.273, budgeted for any public transportation purpose. Before~~
19 ~~this deposit, the sum shall be reduced by an amount equal to the amount~~
20 ~~distributed under (a) of this subsection for each of the municipalities~~
21 ~~within the counties to which this subsection (2)(c) applies; however,~~
22 ~~any transfer under this subsection (2)(c) must be greater than zero))~~
23 two percent of the special excise tax levied and collected under RCW
24 35.58.273 by those municipalities authorized to levy a special excise
25 tax; and

26 (d) To the general fund, for revenues distributed after June 30,
27 1993, and to the transportation fund, for revenues distributed after
28 June 30, 1995, a sum equal to the difference between (i) the special
29 excise tax levied and collected under RCW 35.58.273 by those
30 municipalities authorized to levy and collect a special excise tax
31 subject to the requirements of subsections (3) and (4) of this section
32 and (ii) the special excise tax that the municipality would otherwise
33 have been eligible to levy and collect at a tax rate of .815 percent
34 notwithstanding the requirements set forth in subsections (3) through
35 (6) of this section, reduced by an amount equal to distributions made
36 under (a), (b), and (c) of this subsection and RCW 82.14.046.

37 (3) On the first day of the months of January, April, July, and
38 October of each year, the state treasurer, based upon information

1 provided by the department, shall remit motor vehicle excise tax
2 revenues imposed and collected under RCW 35.58.273 as follows:

3 (a) The amount required to be remitted by the state treasurer to
4 the treasurer of any municipality levying the tax shall not exceed in
5 any calendar year the amount of locally-generated tax revenues,
6 excluding (i) the excise tax imposed under RCW 35.58.273 for the
7 purposes of this section, which shall have been budgeted by the
8 municipality to be collected in such calendar year for any public
9 transportation purposes including but not limited to operating costs,
10 capital costs, and debt service on general obligation or revenue bonds
11 issued for these purposes; and (ii) the sales and use tax equalization
12 distributions provided under RCW 82.14.046; and

13 (b) In no event may the amount remitted in a single calendar
14 quarter exceed the amount collected on behalf of the municipality under
15 RCW 35.58.273 during the calendar quarter next preceding the
16 immediately preceding quarter, excluding the sales and use tax
17 equalization distributions provided under RCW 82.14.046.

18 (4) At the close of each calendar year accounting period, but not
19 later than April 1, each municipality that has received motor vehicle
20 excise taxes under subsection (3) of this section shall transmit to the
21 director of licensing and the state auditor a written report showing by
22 source the previous year's budgeted tax revenues for public
23 transportation purposes as compared to actual collections. Any
24 municipality that has not submitted the report by April 1 shall cease
25 to be eligible to receive motor vehicle excise taxes under subsection
26 (3) of this section until the report is received by the director of
27 licensing. If a municipality has received more or less money under
28 subsection (3) of this section for the period covered by the report
29 than it is entitled to receive by reason of its locally-generated
30 collected tax revenues, the director of licensing shall, during the
31 next ensuing quarter that the municipality is eligible to receive motor
32 vehicle excise tax funds, increase or decrease the amount to be
33 remitted in an amount equal to the difference between the locally-
34 generated budgeted tax revenues and the locally-generated collected tax
35 revenues. In no event may the amount remitted for a calendar year
36 exceed the amount collected on behalf of the municipality under RCW
37 35.58.273 during that same calendar year excluding the sales and use
38 tax equalization distributions provided under RCW 82.14.046. At the
39 time of the next fiscal audit of each municipality, the state auditor

1 shall verify the accuracy of the report submitted and notify the
2 director of licensing of any discrepancies.

3 (5) The motor vehicle excise taxes imposed under RCW 35.58.273 and
4 required to be remitted under this section and RCW 82.14.046 shall be
5 remitted without legislative appropriation.

6 (6) Any municipality levying and collecting a tax under RCW
7 35.58.273 which does not have an operating, public transit system or a
8 contract for public transportation services in effect within one year
9 from the initial effective date of the tax shall return to the state
10 treasurer all motor vehicle excise taxes received under subsection (3)
11 of this section.

12 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
13 preservation of the public peace, health, or safety, or support of the
14 state government and its existing public institutions, and shall take
15 effect July 1, 1995.

16 NEW SECTION. **Sec. 3.** If specific funding for the purpose of this
17 act, referring to this act by bill number, is not provided for in a
18 transportation appropriations act in 1995 that either becomes law under
19 Article III, section 12 of the state Constitution or is approved by the
20 people of the state, this act is null and void.

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