
SUBSTITUTE SENATE BILL 6241

State of Washington

54th Legislature

1996 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Sellar and Snyder)

Read first time 01/26/96.

1 AN ACT Relating to hotel and motel taxes in certain cities and
2 towns; amending RCW 67.28.210; and adding new sections to chapter 67.28
3 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 town with a population of at least
8 three hundred twenty-five but less than five hundred fifty in a county
9 that borders on the northeastern slope of the Cascade mountains with a
10 population of at least thirty-six thousand but less than forty-two
11 thousand may levy and collect a special excise tax not to exceed three
12 percent on the sale of or charge made for the furnishing of lodging by
13 a hotel, rooming house, tourist court, motel, trailer camp, and the
14 granting of a similar license to use real property, as distinguished
15 from the renting or leasing of real property. For the purposes of this
16 tax, it is presumed that the occupancy of real property for a
17 continuous period of one month or more constitutes a rental or lease of
18 real property and 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 town 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 shall be
8 credited to a special fund in the treasury of the town. The taxes may
9 be levied only for the purpose of tourism promotion.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 67.28 RCW
11 to read as follows:

12 (1) The legislative body of a city with a population of at least
13 forty-five thousand but less than sixty thousand in a county with a
14 population of at least one hundred thousand but less than one hundred
15 forty-five thousand may levy and collect a special excise tax not to
16 exceed two percent on the sale of or charge made for the furnishing of
17 lodging by a hotel, rooming house, tourist court, motel, trailer camp,
18 and the granting of a similar license to use real property, as
19 distinguished from the renting or leasing of real property. For the
20 purposes of this tax, it is presumed that the occupancy of real
21 property for a continuous period of one month or more constitutes a
22 rental or lease of real property and not a mere license to use or to
23 enjoy the property.

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

26 (3) A seller, as defined in RCW 82.08.010, who is required to
27 collect a tax under this section, shall pay the tax to the city as
28 provided in RCW 67.28.200. The deduction from state taxes under RCW
29 67.28.190 does not apply to the tax imposed under this section.

30 (4) The tax levied and collected under this section shall be
31 credited to a special fund in the treasury of the city. The tax may be
32 levied only for the purpose of paying all or any part of the cost of
33 acquisition, construction, or operation of convention center facilities
34 or to pay or secure the payment of all or any portion of general
35 obligation bonds or revenue bonds issued for such purpose.

36 **Sec. 3.** RCW 67.28.210 and 1995 c 290 s 1 are each amended to read
37 as follows:

1 All taxes levied and collected under RCW 67.28.180, 67.28.240, and
2 67.28.260 shall be credited to a special fund in the treasury of the
3 county or city imposing such tax. Such taxes shall be levied only for
4 the purpose of paying all or any part of the cost of acquisition,
5 construction, or operating of stadium facilities, convention center
6 facilities, performing arts center facilities, and/or visual arts
7 center facilities or to pay or secure the payment of all or any portion
8 of general obligation bonds or revenue bonds issued for such purpose or
9 purposes under this chapter, or to pay for advertising, publicizing, or
10 otherwise distributing information for the purpose of attracting
11 visitors and encouraging tourist expansion when a county or city has
12 imposed such tax for such purpose, or as one of the purposes hereunder,
13 and until withdrawn for use, the moneys accumulated in such fund or
14 funds may be invested in interest bearing securities by the county or
15 city treasurer in any manner authorized by law. In addition such taxes
16 may be used to develop strategies to expand tourism: PROVIDED, That
17 any county, and any city within a county, bordering upon Grays Harbor
18 may use the proceeds of such taxes for construction and maintenance of
19 a movable tall ships tourist attraction in cooperation with a tall
20 ships restoration society, except to the extent that such proceeds are
21 used for payment of principal and interest on debt incurred prior to
22 June 11, 1986: PROVIDED FURTHER, That any city or county may use the
23 proceeds of such taxes for the refurbishing and operation of a steam
24 railway for tourism promotion purposes: PROVIDED FURTHER, That any
25 city bordering on the Pacific Ocean or on Baker Bay with a population
26 of not less than eight hundred and the county in which such a city is
27 located, a city bordering on the Skagit river with a population of not
28 less than twenty thousand, or any city within a county made up entirely
29 of islands may use the proceeds of such taxes for funding special
30 events or festivals, or for the acquisition, construction, or operation
31 of publicly owned tourist promotional infrastructures, structures, or
32 buildings including but not limited to an ocean beach boardwalk, public
33 docks, and viewing towers: PROVIDED FURTHER, That any county which
34 imposes a tax under RCW 67.28.182 or any city with a population less
35 than fifty thousand in such county may use the proceeds of the tax
36 levied and collected under RCW 67.28.180 to provide public restroom
37 facilities available to and intended for use by visitors: PROVIDED
38 FURTHER, That any county made up entirely of islands, and any city or
39 town that has a population less than five thousand, may use the

1 proceeds of the tax levied and collected under RCW 67.28.180 to provide
2 public restroom facilities available to and intended for use by
3 visitors: PROVIDED FURTHER, That any city or county may use the
4 proceeds of such taxes for funding a civic festival, if the following
5 conditions are met: The festival is a community-wide event held not
6 more than once annually; the festival is approved by the city, town, or
7 county in which it is held; the festival is sponsored by an exempt
8 organization defined in section 501(c)(3), (4), or (6) of the federal
9 internal revenue code; the festival provides family-oriented events
10 suiting a broad segment of the community; and the proceeds of such
11 taxes are used solely for advertising and promotional materials
12 intended to attract overnight visitors: PROVIDED FURTHER, That any
13 city with a population of not less than ten thousand and not more than
14 twenty-five thousand that is in a county with a population greater than
15 seventy-five thousand in which county is located all or part of a
16 national monument may use the proceeds of such taxes for street banners
17 to attract and welcome tourists.

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