
HOUSE BILL 2062

State of Washington

57th Legislature

2001 Regular Session

By Representative Carrell

Read first time 02/13/2001. Referred to Committee on Finance.

1 AN ACT Relating to providing incremental gains in state sales tax
2 revenues to municipal jurisdictions with low sales tax revenues; and
3 adding a new section to chapter 82.14 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 82.14 RCW
6 to read as follows:

7 (1) The department shall determine before January 1st of each year
8 the total and the per capita amount of revenues for each city imposing
9 the sales and use tax authorized under RCW 82.14.030(1) for the
10 previous calendar year. For a city with an official incorporation date
11 after January 1st of the previous calendar year, the department shall
12 estimate the total and per capita amount of revenues from the tax
13 authorized under RCW 82.14.030(1) that the new city would have received
14 had the city received revenues from the tax the entire calendar year.
15 Based on these calculations, the department shall determine before
16 January 1st of each year the statewide weighted average per capita
17 level of revenues for all cities imposing the sales and use tax
18 authorized under RCW 82.14.030(1) for the previous calendar year.

1 (2) Except as provided in subsections (3) and (4) of this section,
2 for the taxes imposed under chapter 82.08 or 82.12 RCW, the treasurer
3 shall distribute to eligible cities no later than January 1st of each
4 year the portion of the tax that is collected during the previous
5 calendar year within the taxing jurisdiction of an eligible city that
6 is in excess of the amount collected in the year prior to the previous
7 calendar year, less the amount of growth in collections attributable to
8 inflation and to population growth within the taxing jurisdiction.

9 (3) For an eligible city with an incorporation date after January
10 1st of the year prior to the previous calendar year, for the taxes
11 imposed under chapter 82.08 or 82.12 RCW, the treasurer shall
12 distribute no later than January 1st of the year the portion of the tax
13 that is collected within the taxing jurisdiction during the previous
14 calendar year after the anniversary date of incorporation that is in
15 excess of the amount collected in the year prior to the previous
16 calendar year, less the amount of growth in collections attributable to
17 inflation and to population growth within the taxing jurisdiction.

18 (4) If the full amount of the distribution provided in this
19 section, when added to the total revenue collected by the jurisdiction
20 for the tax imposed under RCW 82.14.030(1), would result in a per
21 capita level of revenue that exceeds seventy percent of the statewide
22 weighted average per capita revenue as provided in subsection (1) of
23 this section, the treasurer shall reduce the distribution so that, when
24 added to the total revenue collected by the jurisdiction for the tax
25 imposed under RCW 82.14.030(1), the total equals seventy percent of the
26 statewide weighted average per capita revenue as provided in subsection
27 (1) of this section.

28 (5) For the purposes of this section, "eligible city" means a city
29 imposing the sales and use tax under RCW 82.14.030(1) at the maximum
30 rate and receiving less than seventy percent of the statewide weighted
31 average per capita level of revenues for all cities for the previous
32 calendar year as determined by the department under subsection (1) of
33 this section. "Eligible city" does not include a city with an official
34 incorporation date after January 1st of the previous calendar year.

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