

SSB 6582 - S AMD 110
By Senator Ericksen

ADOPTED 02/13/2012

1 On page 4, line 14, after "schedules in" strike "RCW 82.44.035" and
2 insert "section 8 of this act"

3 On page 8, after line 34, insert the following:

4 **"POLICIES AND PURPOSES**

5 NEW SECTION. **Sec. 7.** If politicians impose a vehicle tax based on
6 the value of the vehicle, vehicle owners have a right to a valuation
7 schedule based on the vehicle's purchase price and not the
8 manufacturer's suggested retail price.

9 **THE RIGHT TO HAVE VEHICLE TAXES BASED ON PURCHASE**
10 **PRICE, NOT THE MANUFACTURER'S SUGGESTED RETAIL PRICE**

11 NEW SECTION. **Sec. 8.** A new section is added to chapter 82.44 RCW
12 to read as follows:

13 (1)(a) A motor vehicle excise tax must be calculated in an honest
14 and accurate way. For the purpose of determining any motor vehicle
15 excise tax otherwise authorized by law, any taxing district imposing a
16 motor vehicle excise tax must set a vehicle's taxable value by using
17 the depreciation schedule set forth in this section. The taxable value
18 equals the product of a percentage based on a vehicle's year of
19 service, as provided in subsection (2) of this section, and the latest
20 purchase price of the vehicle. The purchase price for the first year
21 of service must be determined by the bill of sale provided by buyer and
22 seller, subject to the exemptions, exceptions, and definitions provided
23 by this section, and must be affirmed by declaration by both parties.

24 (b) The legislature intends that this section is to ensure an
25 honest and accurate calculation of the tax. It is further the intent

1 of the legislature that this section, when combined with the appeal
2 process in RCW 82.44.065, will ensure that vehicle owners are taxed
3 fairly.

4 (2) For the purpose of determining the tax under this chapter, the
5 value of a truck-type power or trailing unit, or motor vehicle,
6 including a passenger vehicle, motorcycle, motor home, sport-utility
7 vehicle, or light-duty truck must be the latest purchase price of the
8 vehicle, excluding applicable federal excise taxes, state and local
9 sales or use taxes, transportation or shipping costs, or preparatory or
10 delivery costs, multiplied by the following percentage based on year of
11 service of the vehicle since its most recent sale. The year the
12 vehicle is offered for sale as a new vehicle must be considered the
13 first year of service.

14	YEAR OF SERVICE	PERCENTAGE
15	1	100
16	2	75
17	3	55
18	4	40
19	5	25
20	6	10
21	7 and over	5

22 (3) The reissuance of title and registration for a truck-type power
23 or trailing unit or motor vehicle, including a passenger vehicle,
24 motorcycle, motor home, sport-utility vehicle, or light-duty truck
25 because of the installation of body or special equipment must be
26 treated as a sale, and the latest purchase price of the truck-type
27 power or trailing unit or motor vehicle, including a passenger vehicle,
28 motorcycle, motor home, sport-utility vehicle, or light-duty truck at
29 that time, as determined by the department from such information as may
30 be available, must be considered its base value.

31 (4) If the purchase price is unavailable or otherwise
32 unascertainable or the reissuance of title and registration is the
33 result of a gift or inheritance, the department shall determine a value
34 equivalent to the latest purchase price by using any information that
35 may be available, including any guidebook, report, or compendium of

1 recognized standing in the automotive industry or the selling price and
2 year of sale of the vehicle. The department may use an appraisal by
3 the county assessor. In valuing a vehicle for which the current value
4 or selling price is not indicative of the value of similar vehicles of
5 the same year and model, the department must establish a value that
6 more closely represents the average value of similar vehicles of the
7 same year and model.

8 (5) For purposes of this chapter, "value" excludes value
9 attributable to modifications of a motor vehicle and equipment that are
10 designed to facilitate the use or operation of the motor vehicle by a
11 person with a disability.

12 NEW SECTION. **Sec. 9.** RCW 82.44.035 (Valuation of vehicles) and
13 2010 c 161 s 910 & 2006 c 318 s 1 are each repealed.

14 **Sec. 10.** RCW 82.44.065 and 2010 c 161 s 912 are each amended to
15 read as follows:

16 (1) If the department determines a value for a vehicle ((equivalent
17 to a manufacturer's base suggested retail price)) under section 2 of
18 this act or the value of a truck or trailer under ((RCW 82.44.035))
19 section 2 of this act, any person who pays a locally imposed tax for
20 that vehicle may appeal the valuation to the department under chapter
21 34.05 RCW. If the taxpayer is successful on appeal, the department
22 ((shall)) must refund the excess tax in the manner provided in RCW
23 82.44.120.

24 (2) The legislature intends for this section to ensure an honest
25 and accurate calculation of the tax."

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26 On page 1, line 2 of the title, after "82.80.010," strike the
27 remainder of the title and insert "82.80.140, and 82.44.065; reenacting
28 and amending RCW 36.73.015; adding a new section to chapter 82.80 RCW;

- 1 adding a new section to chapter 82.44 RCW; creating a new section; and
- 2 repealing RCW 82.44.035."

EFFECT: Modifies the base value and depreciation schedules upon which a vehicle's value is based when calculating the motor vehicle excise tax.

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