**2182-S AMH DEBO H2691.1 - NOT FOR FLOOR USE**

**SHB 2182** - H AMD **549**

By Representative DeBolt

**NOT ADOPTED 04/12/2017**

On page 1, beginning on line 10, after "otherwise in" strike "subsection (2)" and insert "subsections (2) and (6)"

On page 1, line 13, after "2025," insert "for hazardous substances, excluding aircraft fuel as defined in RCW 82.42.010 purchased by an air carrier domiciled in Washington,"

On page 2, line 30, after "changes in" strike "subsection (2)" and insert "subsections (2) and (6)"

On page 2, line 32, after "under" strike "subsection (2)(a), (b), and (c)" and insert "subsections (2)(a), (b), and (c) and (6)(a) or (b)"

On page 2, beginning on line 35, after "pursuant to" strike "subsection (2)(a), (b), or (c)" and insert "subsections (2)(a), (b), and (c) and (6)(a) or (b)"

On page 3, after line 4, insert the following:

"(6) From July 1, 2017, through June 30, 2025, for aircraft fuel as defined in RCW 82.42.010 purchased by an air carrier domiciled in Washington, the rate of the tax is:

(a) Beginning on July 1st of each fiscal year, 0.7 percent multiplied by the wholesale value of the substance until the department determines that total aggregate taxes for the current fiscal year collected pursuant to this section equal or exceed one hundred seventy million dollars. This rate applies until the rate in (b) of this subsection (6) takes effect as provided in subsection (4) of this section; and

(b) 0.21 percent multiplied by the wholesale value of the substance when the department determines that total aggregate taxes for the current fiscal year collected pursuant to this section equal or exceed one hundred seventy million dollars. This rate applies until the first day of the next fiscal year.

(7)(a) By July 1, 2019, the department must increase the revenue thresholds provided in subsection (6)(a) and (b) of this section by the most current fiscal growth factor for the fiscal year ending June 30, 2019, as computed by the state expenditure limit committee according to RCW 43.135.025.

(b) By July 1, 2021, the department must increase the revenue thresholds provided in subsection (6)(a) and (b) of this section, as adjusted in (a) of this subsection (7), by the most current fiscal growth factor for the fiscal year ending June 30, 2021, as computed by the state expenditure limit committee according to RCW 43.135.025.

(c) By July 1, 2023, the department must increase the revenue thresholds provided in subsection (6)(a) and (b) of this section, as adjusted in (a) and (b) of this subsection (7), by the most current fiscal growth factor for the fiscal year ending June 30, 2023, as computed by the state expenditure limit committee according to RCW 43.135.025."

EFFECT: Excludes aircraft fuel purchased by air carriers domiciled in Washington from the hazardous substance tiered tax rates. The tiered tax rates start at 0.9 percent and change to 0.7 percent, and then 0.21 percent, based on specified thresholds with adjustments and annual tax collections.

Sets the hazardous substance tax rate for aircraft fuel purchased by air carriers domiciled in Washington at 0.7 percent until annual tax collections reach a 170 million dollar threshold with adjustments. After the threshold is met, the rate changes to 0.21 percent for the remaining part of the fiscal year.