H-3128.4

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**HOUSE BILL 2357**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Representatives Reeves, Goodman, Fey, Tarleton, Frame, Valdez, Macri, and Pollet

AN ACT Relating to allowing semiannual or quarterly payment plans for regional transit authority motor vehicle excise taxes; amending RCW 46.16A.110, 46.17.040, and 82.44.060; and creating a new section.

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

**Sec.**  RCW 46.16A.110 and 2014 c 80 s 3 are each amended to read as follows:

(1) A registered owner or the registered owner's authorized representative must apply for a renewal vehicle registration to the department, county auditor or other agent, or subagent appointed by the director on a form approved by the director. The application for a renewal vehicle registration must be accompanied by a draft, money order, certified bank check, or cash for all fees and taxes required by law for the application for a renewal vehicle registration, except as allowed under subsection (6) of this section.

(2)(a) When a vehicle changes ownership, the person taking ownership or his or her authorized representative must apply for a renewal vehicle registration as provided in subsection (1) of this section and, except as provided in (b) of this subsection, pay all the taxes and fees that are due at the time of registration renewal. For the purposes of this section, when a vehicle is sold to a vehicle dealer for resale, the application for a renewal registration need not be made until the vehicle is sold by the vehicle dealer.

(b) The person taking ownership or his or her authorized representative must be given credit for the portion of a motor vehicle excise tax, including the motor vehicle excise tax collected under RCW 81.104.160, that reflects the remaining period for which the tax was initially paid by the previous owner.

(3) An application and the fees and taxes for a renewal vehicle registration must be handled in the same manner as an original vehicle registration application. The registration does not need to show the name of the lienholder when the application for renewal vehicle registration becomes the renewal registration upon validation.

(4) A person expecting to be out of state during the normal renewal period of a vehicle registration may renew a vehicle registration and have license plates or tabs preissued by applying for a renewal as described in subsection (1) of this section. A vehicle registration may be renewed for the subsequent registration year up to eighteen months before the current expiration date and must be displayed from the date of issue or from the day of the expiration of the current registration year, whichever date is later.

(5) An application for a renewal vehicle registration is not required for those vehicles owned, rented, or leased by:

(a) The state of Washington, or by any county, city, town, school district, or other political subdivision of the state of Washington; or

(b) A governing body of an Indian tribe located within this state and recognized as a governmental entity by the United States department of the interior.

(6) If a vehicle is subject to a motor vehicle excise tax pursuant to RCW 81.104.160, the registered owner or the registered owner's authorized representative may enter into either a semiannual or a quarterly payment plan with the department for the amount of motor vehicle excise tax due if the amount of the motor vehicle excise tax due is two hundred dollars or more. The semiannual or quarterly payments must each be of an equal amount, except when the entire remaining amount of the motor vehicle excise tax due is paid along with any payment that is due. The first semiannual or quarterly payment must be made with the application for a renewal vehicle registration. Each subsequent semiannual or quarterly payment is subject to a five dollar service fee pursuant to RCW 46.17.040.

**Sec.**  RCW 46.17.040 and 2014 c 59 s 2 are each amended to read as follows:

(1) The department, county auditor or other agent, or subagent appointed by the director shall collect a service fee of:

(a) Twelve dollars for changes in a certificate of title, with or without registration renewal, or for verification of record and preparation of an affidavit of lost title other than at the time of the certificate of title application or transfer; and

(b) Five dollars for a registration renewal, issuing a transit permit, collecting a semiannual or quarterly payment of the motor vehicle excise tax due, or any other service under this section.

(2) Service fees collected under this section by the department or county auditor or other agent appointed by the director must be credited to the capital vessel replacement account under RCW 47.60.322.

**Sec.**  RCW 82.44.060 and 2010 c 161 s 911 are each amended to read as follows:

(1) Any locally imposed excise tax:

(a) Is due at the time of registration of a vehicle, except as allowed under subsection (4)(a) of this section;

(b) Must be paid in full before any registration certificate or license tab may be issued, except as allowed under subsection (4)(a) of this section;

(c) Is in addition to any other vehicle license fees required by law;

(d) Must be collected by the department, county auditor or other agent, or subagent appointed by the director of licensing before issuing the registration certificate, except as allowed under subsection (4)(a) of this section;

(e) Must be collected for each registration year, except as allowed under subsection (4)(a) of this section; and

(f) Must be levied for one full registration year beginning on the date of the calendar year designated by the department and ending on the same date of the next succeeding calendar year, except as allowed under subsection (4)(a) of this section. For vehicles registered under chapter 46.87 RCW, proportional registration, and for vehicle dealer plates issued under chapter 46.70 RCW, the registration year is the period provided in those chapters. However, the tax shall in no case be less than two dollars except for proportionally registered vehicles.

(2) A vehicle is deemed registered for the first time in this state when the vehicle was not previously registered by this state for the registration year immediately preceding the registration year in which the application for registration is made or when the vehicle has been registered in another jurisdiction subsequent to any prior registration in this state.

(3) An additional tax may not be imposed under this chapter on any vehicle when the certificate of title is being transferred if the tax has already been paid for the registration year or fraction of a registration year in which transfer of ownership occurs, except as required by a payment plan entered into pursuant to subsection (4)(a) of this section.

(4)(a) If a vehicle is subject to a locally imposed excise tax pursuant to RCW 81.104.160, the registered owner or the registered owner's authorized representative may enter into either a semiannual or a quarterly payment plan with the department for the amount of the locally imposed excise tax due if the amount of the locally imposed excise tax due is two hundred dollars or more. The semiannual or quarterly payments must each be of an equal amount, except when the entire remaining amount of the motor vehicle excise tax due is paid along with any payment that is due. The first semiannual or quarterly payment must be made with the application for a renewal vehicle registration. Each subsequent semiannual or quarterly payment is subject to a five dollar service fee pursuant to RCW 46.17.040.

(b) The department, the Washington state patrol, and any regional transit authority imposing an excise tax pursuant to RCW 81.104.160 must provide a report to the transportation committees of the legislature by November 15, 2020, regarding the implementation of, and potential improvements to, the payment plan created under (a) of this subsection.

NEW SECTION. **Sec.**  This act applies to vehicle registrations that are due or become due on or after January 1, 2019.

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