

HB 1242 - S COMM AMD

By Committee on Local Government

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 67.28.181 and 2015 3rd sp.s. c 24 s 703 are each
4 amended to read as follows:

5 (1) The legislative body of any municipality may impose an excise
6 tax on the sale of or charge made for the furnishing of lodging that
7 is subject to tax under chapter 82.08 RCW. The rate of tax (~~shall~~)
8 may not exceed the lesser of two percent or a rate that, when
9 combined with all other taxes imposed upon sales of lodging within
10 the municipality under this chapter and chapters 36.100, 67.40,
11 82.08, and 82.14 RCW, equals twelve percent. A tax under this chapter
12 shall not be imposed in increments smaller than tenths of a percent.

13 (2) Notwithstanding subsection (1) of this section:

14 (a) If a municipality was authorized to impose taxes under this
15 chapter or RCW 67.40.100 or both with a total rate exceeding four
16 percent before July 27, 1997, such total authorization shall continue
17 through January 31, 1999, and thereafter the municipality may impose
18 a tax under this section at a rate not exceeding the rate actually
19 imposed by the municipality on January 31, 1999.

20 (b) Except as otherwise provided in this subsection (2)(b), if a
21 city or town, other than a municipality imposing a tax under (a) of
22 this subsection, is located in a county that imposed taxes under this
23 chapter with a total rate of four percent or more on January 1, 1997,
24 the city or town may not impose a tax under this section. Beginning
25 July 1, 2020, this subsection (2)(b) does not apply to any city or
26 town located in a county with a population of less than four hundred
27 thousand.

28 (c) If a city has a population of four hundred thousand or more
29 and is located in a county with a population of one million or more,
30 the rate of tax imposed under this chapter by the city shall not
31 exceed the lesser of four percent or a rate that, when combined with

1 all other taxes imposed upon sales of lodging in the municipality
2 under this chapter and chapters 36.100, 67.40, 82.08, and 82.14 RCW,
3 equals fifteen and two-tenths percent.

4 (d) If a municipality was authorized to impose taxes under this
5 chapter or RCW 67.40.100, or both, at a rate equal to six percent
6 before January 1, 1998, the municipality may impose a tax under this
7 section at a rate not exceeding the rate actually imposed by the
8 municipality on January 1, 1998.

9 (3) Any county ordinance or resolution adopted under this section
10 shall contain a provision allowing a credit against the county tax
11 for the full amount of any city or town tax imposed under this
12 section upon the same taxable event.

13 (4) In determining the effective combined rate of tax for
14 purposes of the limit in subsections (1) and (2)(c) of this section,
15 the tax rate under RCW 82.14.530 is not included.

16 **Sec. 2.** RCW 82.14.410 and 2015 3rd sp.s. c 24 s 704 are each
17 amended to read as follows:

18 (1) A local sales and use tax change adopted after December 1,
19 2000, must provide an exemption for those sales of lodging for which,
20 but for the exemption, the total sales tax rate imposed on sales of
21 lodging would exceed the greater of:

22 (a) Twelve percent; or

23 (b) The total sales tax rate that would have applied to the sale
24 of lodging if the sale were made on December 1, 2000.

25 (2) For the purposes of this section:

26 (a) "Local sales and use tax change" is defined as provided in
27 RCW 82.14.055.

28 (b) "Sale of lodging" means the sale of or charge made for the
29 furnishing of lodging and all other services by a hotel, rooming
30 house, tourist court, motel, trailer camp, and the granting of any
31 similar license to use real property.

32 (c) "Total sales tax rate" means the combined rates of all state
33 and local taxes imposed under this chapter and chapters 36.100,
34 67.28, 67.40, and 82.08 RCW, and any other tax authorized after March
35 29, 2001, if the tax is in the nature of a sales tax collected from
36 the buyer, but excluding taxes imposed under RCW 81.104.170 before
37 December 1, 2000, and taxes imposed under RCW 82.14.530 and
38 67.28.181(2)(b).

1 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of
3 the state government and its existing public institutions, and takes
4 effect July 1, 2020."

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5 On page 1, line 2 of the title, after "lodging;" strike the
6 remainder of the title and insert "amending RCW 67.28.181 and
7 82.14.410; providing an effective date; and declaring an emergency."

EFFECT: Changes the effective date of the act to July 1, 2020.

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