

CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 6408

Chapter 221, Laws of 1992

52nd Legislature
1992 Regular Session

REAL ESTATE EXCISE TAX--LOCAL TAX PROCEEDS TO FUND
CAPITAL IMPROVEMENTS

EFFECTIVE DATE: 6/11/92

Passed by the Senate March 12, 1992
Yeas 39 Nays 9

JOEL PRITCHARD

President of the Senate

Passed by the House March 11, 1992
Yeas 97 Nays 0

JOE KING

**Speaker of the
House of Representatives**

Approved April 2, 1992

BOOTH GARDNER

Governor of the State of Washington

CERTIFICATE

I, Gordon Golob, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SENATE BILL 6408** as passed by the Senate and the House of Representatives on the dates hereon set forth.

GORDON A. GOLOB

Secretary

FILED

April 2, 1992 - 12:16 p.m.

**Secretary of State
State of Washington**

ENGROSSED SENATE BILL 6408

AS AMENDED BY THE HOUSE

Passed Legislature - 1992 Regular Session

State of Washington 52nd Legislature 1992 Regular Session

By Senators Matson, Vognild, Hayner, Sutherland, Madsen, McCaslin and
Roach

Read first time 01/29/92. Referred to Committee on Governmental
Operations.

1 AN ACT Relating to the use of locally imposed real estate excise
2 tax proceeds for financing capital projects; amending RCW 82.46.010,
3 82.46.030, and 82.46.035; and creating a new section.

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

5 **Sec. 1.** RCW 82.46.010 and 1990 1st ex.s. c 17 s 36 are each
6 amended to read as follows:

7 (1) The legislative authority of any county or city shall identify
8 in the adopted budget the capital projects funded in whole or in part
9 from the proceeds of the tax authorized in this section, and shall
10 indicate that such tax is intended to be in addition to other funds
11 that may be reasonably available for such capital projects.

12 (2) The ((governing body)) legislative authority of any county or
13 any city may impose an excise tax on each sale of real property in the
14 unincorporated areas of the county for the county tax and in the
15 corporate limits of the city for the city tax at a rate not exceeding

1 one-quarter of one percent of the selling price. The revenues from
2 this tax shall be used by the respective jurisdictions for local
3 capital improvements, including those listed in RCW 35.43.040.

4 After (~~July 1, 1990~~) April 30, 1992, revenues generated from the
5 tax imposed under this subsection in counties over five thousand
6 population and cities over five thousand population that are required
7 or choose to plan under RCW 36.70A.040 shall be used (~~primarily~~)
8 solely for financing capital projects specified in a capital facilities
9 plan element of a comprehensive plan and housing relocation assistance
10 under RCW 59.18.440 and 59.18.450. However, revenues (a) pledged by
11 such counties and cities to debt retirement prior to (~~July 1, 1990~~)
12 April 30, 1992, may continue to be used for that purpose until (~~all~~
13 ~~outstanding~~) the original debt for which the revenues were pledged is
14 retired, or (b) committed prior to (~~July 1, 1990~~) April 30, 1992, by
15 such counties or cities to a (~~capital~~) project may continue to be
16 used for that purpose until the project is completed.

17 (~~(2)~~) (3) In lieu of imposing the tax authorized in RCW
18 82.14.030(2), the (~~governing body~~) legislative authority of any
19 county or any city may impose an additional excise tax on each sale of
20 real property in the unincorporated areas of the county for the county
21 tax and in the corporate limits of the city for the city tax at a rate
22 not exceeding one-half of one percent of the selling price.

23 (~~(3)~~) (4) Taxes imposed under this section shall be collected
24 from persons who are taxable by the state under chapter 82.45 RCW upon
25 the occurrence of any taxable event within the unincorporated areas of
26 the county or within the corporate limits of the city, as the case may
27 be.

28 (~~(4)~~) (5) Taxes imposed under this section shall comply with all
29 applicable rules, regulations, laws, and court decisions regarding real
30 estate excise taxes as imposed by the state under chapter 82.45 RCW.

1 (~~(5)~~) (6) As used in this section, "city" means any city or town
2 and "capital project" means those public works projects of a local
3 government for planning, acquisition, construction, reconstruction,
4 repair, replacement, rehabilitation, or improvement of streets; roads;
5 highways; sidewalks; street and road lighting systems; traffic signals;
6 bridges; domestic water systems; storm and sanitary sewer systems;
7 parks; recreational facilities; law enforcement facilities; fire
8 protection facilities; trails; libraries; administrative and/or
9 judicial facilities; river and/or waterway flood control projects by
10 those jurisdictions that, prior to the effective date of this act, have
11 expended funds derived from the tax authorized by this section for such
12 purposes; and, until December 31, 1995, housing projects for those
13 jurisdictions that, prior to the effective date of this act, have
14 expended or committed to expend funds derived from the tax authorized
15 by this section or the tax authorized by RCW 82.46.035 for such
16 purposes.

17 **Sec. 2.** RCW 82.46.030 and 1990 1st ex.s. c 17 s 37 are each
18 amended to read as follows:

19 (1) The county treasurer shall place one percent of the proceeds of
20 the taxes imposed under (~~(RCW 82.46.010)~~) this chapter in the county
21 current expense fund to defray costs of collection.

22 (2) The remaining proceeds from the county tax under RCW
23 82.46.010(1) shall be placed in a county capital improvements fund.
24 The remaining proceeds from city or town taxes under RCW 82.46.010(1)
25 shall be distributed to the respective cities and towns monthly and
26 placed by the city treasurer in a municipal capital improvements fund.

27 (3) This section does not limit the existing authority of any city,
28 town, or county to impose special assessments on property specially
29 benefited thereby in the manner prescribed by law.

1 **Sec. 3.** RCW 82.46.035 and 1990 1st ex.s. c 17 s 38 are each
2 amended to read as follows:

3 (1) The legislative authority of any county or city shall identify
4 in the adopted budget the capital projects funded in whole or in part
5 from the proceeds of the tax authorized in this section, and shall
6 indicate that such tax is intended to be in addition to other funds
7 that may be reasonably available for such capital projects.

8 (2) The ((governing body)) legislative authority of any county or
9 any city that plans under RCW 36.70A.040(1) may impose an additional
10 excise tax on each sale of real property in the unincorporated areas of
11 the county for the county tax and in the corporate limits of the city
12 for the city tax at a rate not exceeding one-quarter of one percent of
13 the selling price. Any county choosing to plan under RCW 36.70A.040(2)
14 and any city within such a county may only adopt an ordinance imposing
15 the excise tax authorized by this section if the ordinance is first
16 authorized by a proposition approved by a majority of the voters of the
17 taxing district voting on the proposition at a general election held
18 within the district or at a special election within the taxing district
19 called by the district for the purpose of submitting such proposition
20 to the voters.

21 ((+2)) (3) Revenues generated from the tax imposed under
22 subsection ((+1)) (2) of this section shall be used by such counties
23 and cities solely for financing capital projects specified in a capital
24 facilities plan element of a comprehensive plan. However, revenues (a)
25 pledged by such counties and cities to debt retirement prior to March
26 1, 1992, may continue to be used for that purpose until the original
27 debt for which the revenues were pledged is retired, or (b) committed
28 prior to March 1, 1992, by such counties or cities to a project may
29 continue to be used for that purpose until the project is completed.

1 (~~(3)~~) (4) Revenues generated by the tax imposed by this section
2 shall be deposited in a separate account.

3 (~~(4)~~) (5) As used in this section, "city" means any city or town
4 and "capital project" means those public works projects of a local
5 government for planning, acquisition, construction, reconstruction,
6 repair, replacement, rehabilitation, or improvement of streets, roads,
7 highways, sidewalks, street and road lighting systems, traffic signals,
8 bridges, domestic water systems, storm and sanitary sewer systems, and
9 planning, construction, reconstruction, repair, rehabilitation, or
10 improvement of parks.

11 NEW SECTION. Sec. 4. All expenditures of revenues collected
12 under RCW 82.46.010 made prior to the effective date of this act are
13 deemed to be in compliance with RCW 82.46.010.

Passed the Senate March 12, 1992.

Passed the House March 11, 1992.

Approved by the Governor April 2, 1992.

Filed in Office of Secretary of State April 2, 1992.