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**SENATE BILL 5978**

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**State of Washington                      53rd Legislature                      1993 Regular Session**

**By Senator Rinehart; by request of Office of Financial Management**

Read first time 04/08/93. Referred to Committee on Ways & Means.

1            AN ACT Relating to disposition of motor vehicle excise tax revenue;  
2 amending RCW 82.44.110; reenacting and amending RCW 82.44.150;  
3 providing an effective date; and declaring an emergency.

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

5            **Sec. 1.** RCW 82.44.110 and 1991 c 199 s 221 are each amended to  
6 read as follows:

7            The county auditor shall regularly, when remitting license fee  
8 receipts, pay over and account to the director of licensing for the  
9 excise taxes collected under the provisions of this chapter. The  
10 director shall forthwith transmit the excise taxes to the state  
11 treasurer.

12            (1) The state treasurer shall deposit the excise taxes collected  
13 under RCW 82.44.020(1) as follows:

14            (a) 1.60 percent into the motor vehicle fund to defray  
15 administrative and other expenses incurred by the department in the  
16 collection of the excise tax.

17            (b) 8.15 percent into the Puget Sound capital construction account  
18 in the motor vehicle fund.

1 (c) 4.07 percent into the Puget Sound ferry operations account in  
2 the motor vehicle fund.

3 (d) 8.83 percent into the general fund to be distributed under RCW  
4 82.44.155.

5 (e) 4.75 percent into the municipal sales and use tax equalization  
6 account in the general fund created in RCW 82.14.210.

7 (f) 1.60 percent into the county sales and use tax equalization  
8 account in the general fund created in RCW 82.14.200.

9 (g) 62.6440 percent into the general fund through (~~June 30, 1993,~~  
10 ~~57.6440 percent into the general fund beginning July 1~~) December 31,  
11 1993, and (~~66~~) 71 percent into the general fund beginning January 1,  
12 1994.

13 (h) (~~5 percent into the transportation fund created in RCW~~  
14 ~~82.44.180 beginning July 1, 1993.~~

15 (~~i~~)) 5.9686 percent into the county criminal justice assistance  
16 account created in RCW 82.14.310 through December 31, 1993.

17 (~~(j)~~) (i) 1.1937 percent into the municipal criminal justice  
18 assistance account for distribution under RCW 82.14.320 through  
19 December 31, 1993.

20 (~~(k)~~) (j) 1.1937 percent into the municipal criminal justice  
21 assistance account for distribution under RCW 82.14.330 through  
22 December 31, 1993.

23 (2) The state treasurer shall deposit the excise taxes collected  
24 under RCW 82.44.020(2) into the transportation fund.

25 (3) The state treasurer shall deposit the excise tax imposed by RCW  
26 82.44.020(3) into the air pollution control account created by RCW  
27 70.94.015.

28 **Sec. 2.** RCW 82.44.150 and 1991 c 309 s 5 and 1991 c 199 s 222 are  
29 each reenacted and amended to read as follows:

30 (1) The director of licensing shall, on the twenty-fifth day of  
31 February, May, August, and November of each year, advise the state  
32 treasurer of the total amount of motor vehicle excise taxes imposed by  
33 RCW 82.44.020 (1) and (2) remitted to the department during the  
34 preceding calendar quarter ending on the last day of March, June,  
35 September, and December, respectively, except for those payable under  
36 RCW 82.44.030, from motor vehicle owners residing within each  
37 municipality which has levied a tax under RCW 35.58.273, which amount  
38 of excise taxes shall be determined by the director as follows:

1       The total amount of motor vehicle excise taxes remitted to the  
2 department, except those payable under RCW 82.44.020(3) and 82.44.030,  
3 from each county shall be multiplied by a fraction, the numerator of  
4 which is the population of the municipality residing in such county,  
5 and the denominator of which is the total population of the county in  
6 which such municipality or portion thereof is located. The product of  
7 this computation shall be the amount of excise taxes from motor vehicle  
8 owners residing within such municipality or portion thereof. Where the  
9 municipality levying a tax under RCW 35.58.273 is located in more than  
10 one county, the above computation shall be made by county, and the  
11 combined products shall provide the total amount of motor vehicle  
12 excise taxes from motor vehicle owners residing in the municipality as  
13 a whole. Population figures required for these computations shall be  
14 supplied to the director by the office of financial management, who  
15 shall adjust the fraction annually.

16       (2) On the first day of the months of January, April, July, and  
17 October of each year, the state treasurer based upon information  
18 provided by the department shall, from motor vehicle excise taxes  
19 deposited in the general fund, under RCW ~~((82.44.110(7)))~~  
20 82.44.110(1)(g), make the following deposits:

21       (a) To the high capacity transportation account created in RCW  
22 47.78.010, a sum equal to four and five-tenths percent of the special  
23 excise tax levied under RCW 35.58.273 by those municipalities  
24 authorized to levy a special excise tax within (i) each county with a  
25 population of two hundred ten thousand or more and (ii) each county  
26 with a population of from one hundred twenty-five thousand to less than  
27 two hundred ten thousand except for those counties that do not border  
28 a county with a population as described in subsection (i) of this  
29 subsection;

30       (b) To the central Puget Sound public transportation account  
31 created in RCW 82.44.180, for revenues distributed after December 31,  
32 1992, within a county with a population of one million or more and a  
33 county with a population of from two hundred thousand to less than one  
34 million bordering a county with a population of one million or more, a  
35 sum equal to the difference between (i) the special excise tax levied  
36 and collected under RCW 35.58.273 by those municipalities authorized to  
37 levy and collect a special excise tax subject to the requirements of  
38 subsections (3) and (4) of this section and (ii) the special excise tax  
39 that the municipality would otherwise have been eligible to levy and

1 collect at a tax rate of .815 percent and been able to match with  
2 locally generated tax revenues, other than the excise tax imposed under  
3 RCW 35.58.273, budgeted for any public transportation purpose. Before  
4 this deposit, the sum shall be reduced by an amount equal to the amount  
5 distributed under (a) of this subsection for each of the municipalities  
6 within the counties to which this subsection (2)(b) applies; however,  
7 any transfer under this subsection (2)(b) must be greater than zero;

8 (c) To the public transportation systems account created in RCW  
9 82.44.180, for revenues distributed after December 31, 1992, within  
10 counties not described in (b) of this subsection, a sum equal to the  
11 difference between (i) the special excise tax levied and collected  
12 under RCW 35.58.273 by those municipalities authorized to levy and  
13 collect a special excise tax subject to the requirements of subsections  
14 (3) and (4) of this section and (ii) the special excise tax that the  
15 municipality would otherwise have been eligible to levy and collect at  
16 a tax rate of .815 percent and been able to match with locally  
17 generated tax revenues, other than the excise tax imposed under RCW  
18 35.58.273, budgeted for any public transportation purpose. Before this  
19 deposit, the sum shall be reduced by an amount equal to the amount  
20 distributed under (a) of this subsection for each of the municipalities  
21 within the counties to which this subsection (2)(c) applies; however,  
22 any transfer under this subsection (2)(c) must be greater than zero;  
23 and

24 (d) To the ~~((transportation))~~ general fund ~~((created in RCW~~  
25 ~~82.44.180))~~, for revenues distributed after June 30, ~~((1991))~~ 1993, a  
26 sum equal to the difference between (i) the special excise tax levied  
27 and collected under RCW 35.58.273 by those municipalities authorized to  
28 levy and collect a special excise tax subject to the requirements of  
29 subsections (3) and (4) of this section and (ii) the special excise tax  
30 that the municipality would otherwise have been eligible to levy and  
31 collect at a tax rate of .815 percent notwithstanding the requirements  
32 set forth in subsections (3) through (6) of this section, reduced by an  
33 amount equal to distributions made under (a), (b), and (c) of this  
34 subsection.

35 (3) On the first day of the months of January, April, July, and  
36 October of each year, the state treasurer, based upon information  
37 provided by the department, shall remit motor vehicle excise tax  
38 revenues imposed and collected under RCW 35.58.273 as follows:

1 (a) The amount required to be remitted by the state treasurer to  
2 the treasurer of any municipality levying the tax shall not exceed in  
3 any calendar year the amount of locally-generated tax revenues,  
4 excluding the excise tax imposed under RCW 35.58.273 for the purposes  
5 of this section, which shall have been budgeted by the municipality to  
6 be collected in such calendar year for any public transportation  
7 purposes including but not limited to operating costs, capital costs,  
8 and debt service on general obligation or revenue bonds issued for  
9 these purposes; and

10 (b) In no event may the amount remitted in a single calendar  
11 quarter exceed the amount collected on behalf of the municipality under  
12 RCW 35.58.273 during the calendar quarter next preceding the  
13 immediately preceding quarter.

14 (4) At the close of each calendar year accounting period, but not  
15 later than April 1, each municipality that has received motor vehicle  
16 excise taxes under subsection (3) of this section shall transmit to the  
17 director of licensing and the state auditor a written report showing by  
18 source the previous year's budgeted tax revenues for public  
19 transportation purposes as compared to actual collections. Any  
20 municipality that has not submitted the report by April 1 shall cease  
21 to be eligible to receive motor vehicle excise taxes under subsection  
22 (3) of this section until the report is received by the director of  
23 licensing. If a municipality has received more or less money under  
24 subsection (3) of this section for the period covered by the report  
25 than it is entitled to receive by reason of its locally-generated  
26 collected tax revenues, the director of licensing shall, during the  
27 next ensuing quarter that the municipality is eligible to receive motor  
28 vehicle excise tax funds, increase or decrease the amount to be  
29 remitted in an amount equal to the difference between the locally-  
30 generated budgeted tax revenues and the locally-generated collected tax  
31 revenues. In no event may the amount remitted for a calendar year  
32 exceed the amount collected on behalf of the municipality under RCW  
33 35.58.273 during that same calendar year. At the time of the next  
34 fiscal audit of each municipality, the state auditor shall verify the  
35 accuracy of the report submitted and notify the director of licensing  
36 of any discrepancies.

37 (5) The motor vehicle excise taxes imposed under RCW 35.58.273 and  
38 required to be remitted under this section shall be remitted without  
39 legislative appropriation.

1       (6) Any municipality levying and collecting a tax under RCW  
2 35.58.273 which does not have an operating, public transit system or a  
3 contract for public transportation services in effect within one year  
4 from the initial effective date of the tax shall return to the state  
5 treasurer all motor vehicle excise taxes received under subsection (3)  
6 of this section.

7       NEW SECTION.   **Sec. 3.** This act is necessary for the immediate  
8 preservation of the public peace, health, or safety, or support of the  
9 state government and its existing public institutions, and shall take  
10 effect June 30, 1993.

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