

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6018

Chapter 272, Laws of 1994

53rd Legislature
1994 Regular Session

REAL ESTATE EXCISE TAX--AUTHORIZED USES

EFFECTIVE DATE: 6/9/94

Passed by the Senate March 6, 1994
YEAS 43 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House March 4, 1994
YEAS 95 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved April 1, 1994

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6018** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

April 1, 1994 - 2:20 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6018

AS AMENDED BY THE HOUSE

Passed Legislature - 1994 Regular Session

State of Washington 53rd Legislature 1994 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Winsley and Haugen)

Read first time 01/28/94.

1 AN ACT Relating to clarifying the authorized uses of the excise tax
2 on the sale of real property; amending RCW 82.46.010; and creating a
3 new section.

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

5 **Sec. 1.** RCW 82.46.010 and 1992 c 221 s 1 are each amended to read
6 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 legislative authority of any county or any city may impose
13 an excise tax on each sale of real property in the unincorporated areas
14 of the county for the county tax and in the corporate limits of the
15 city for the city tax at a rate not exceeding one-quarter of one
16 percent of the selling price. The revenues from this tax shall be used
17 by ((the respective jurisdictions)) any city or county with a
18 population of five thousand or less and any city or county that does
19 not plan under RCW 36.70A.040 for any capital purpose identified in a

1 capital improvements plan and local capital improvements, including
2 those listed in RCW 35.43.040.

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

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

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

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

28 (6) As used in this section, "city" means any city or town and
29 "capital project" means those public works projects of a local
30 government for planning, acquisition, construction, reconstruction,
31 repair, replacement, rehabilitation, or improvement of streets; roads;
32 highways; sidewalks; street and road lighting systems; traffic signals;
33 bridges; domestic water systems; storm and sanitary sewer systems;
34 parks; recreational facilities; law enforcement facilities; fire
35 protection facilities; trails; libraries; administrative and/or
36 judicial facilities; river and/or waterway flood control projects by
37 those jurisdictions that, prior to June 11, 1992, have expended funds
38 derived from the tax authorized by this section for such purposes; and,
39 until December 31, 1995, housing projects for those jurisdictions that,

1 prior to June 11, 1992, have expended or committed to expend funds
2 derived from the tax authorized by this section or the tax authorized
3 by RCW 82.46.035 for such purposes.

4 NEW SECTION. **Sec. 2.** The legislature declares that, in section
5 13, chapter 49, Laws of 1982 1st ex. sess., effective July 1, 1982, its
6 original intent in limiting the use of the proceeds of the tax
7 authorized in RCW 82.46.010(2) to "local capital improvements" was to
8 include in such expenditures the acquisition of real and personal
9 property associated with such local capital improvements. Any such
10 expenditures made by cities, towns, and counties on or after July 1,
11 1982, are hereby declared to be authorized and valid.

Passed the Senate March 6, 1994.

Passed the House March 4, 1994.

Approved by the Governor April 1, 1994.

Filed in Office of Secretary of State April 1, 1994.