

1 **2ESSB 5659 - H AMD 608 WITHDRAWN 6/10/03**  
2 By Representative \_\_\_\_\_

3 On page 2, after line 25, insert the following:

4 "(6) One third of all money received under this section shall  
5 be deposited to the county sales and use tax equalization account  
6 under RCW 82.14.200.

7 **Sec. 3.** RCW 82.14.200 and 1998 c 321 s 8 (Referendum Bill No.  
8 49, approved November 3, 1998) are each amended to read as follows:

9 There is created in the state treasury a special account to be  
10 known as the "county sales and use tax equalization account." Into  
11 this account shall be placed a portion of (~~all motor vehicle~~  
12 ~~excise tax receipts as provided in RCW 82.44.110~~) tax receipts  
13 received under section 2 of this act. Funds in this account shall  
14 be allocated by the state treasurer according to the following  
15 procedure:

16 (1) Prior to April 1st of each year the director of revenue  
17 shall inform the state treasurer of the total and the per capita  
18 levels of revenues for the unincorporated area of each county and  
19 the statewide weighted average per capita level of revenues for the  
20 unincorporated areas of all counties imposing the sales and use tax  
21 authorized under RCW 82.14.030(1) for the previous calendar year.

22 (2) At such times as distributions are made under RCW  
23 82.44.150, the state treasurer shall apportion to each county  
24 imposing the sales and use tax under RCW 82.14.030(1) at the  
25 maximum rate and receiving less than one hundred fifty thousand  
26 dollars from the tax for the previous calendar year, an amount from  
27 the county sales and use tax equalization account sufficient, when  
28 added to the amount of revenues received the previous calendar year  
29 by the county, to equal one hundred fifty thousand dollars.

30 The department of revenue shall establish a governmental price  
31 index as provided in this subsection. The base year for the index  
32 shall be the end of the third quarter of 1982. Prior to November 1,

1 1983, and prior to each November 1st thereafter, the department of  
2 revenue shall establish another index figure for the third quarter  
3 of that year. The department of revenue may use the implicit price  
4 deflators for state and local government purchases of goods and  
5 services calculated by the United States department of commerce to  
6 establish the governmental price index. Beginning on January 1,  
7 1984, and each January 1st thereafter, the one hundred fifty  
8 thousand dollar base figure in this subsection shall be adjusted in  
9 direct proportion to the percentage change in the governmental  
10 price index from 1982 until the year before the adjustment.  
11 Distributions made under this subsection for 1984 and thereafter  
12 shall use this adjusted base amount figure.

13 (3) Subsequent to the distributions under subsection (2) of  
14 this section and at such times as distributions are made under RCW  
15 82.44.150, the state treasurer shall apportion to each county  
16 imposing the sales and use tax under RCW 82.14.030(1) at the  
17 maximum rate and receiving less than seventy percent of the  
18 statewide weighted average per capita level of revenues for the  
19 unincorporated areas of all counties as determined by the  
20 department of revenue under subsection (1) of this section, an  
21 amount from the county sales and use tax equalization account  
22 sufficient, when added to the per capita level of revenues for the  
23 unincorporated area received the previous calendar year by the  
24 county, to equal seventy percent of the statewide weighted average  
25 per capita level of revenues for the unincorporated areas of all  
26 counties determined under subsection (1) of this section, subject  
27 to reduction under subsections (6) and (7) of this section. When  
28 computing distributions under this section, any distribution under  
29 subsection (2) of this section shall be considered revenues  
30 received from the tax imposed under RCW 82.14.030(1) for the  
31 previous calendar year.

32 (4) Subsequent to the distributions under subsection (3) of  
33 this section and at such times as distributions are made under RCW  
34 82.44.150, the state treasurer shall apportion to each county  
35 imposing the sales and use tax under RCW 82.14.030(2) at the  
36 maximum rate and receiving a distribution under subsection (2) of  
37 this section, a third distribution from the county sales and use  
38 tax equalization account. The distribution to each qualifying  
39 county shall be equal to the distribution to the county under

1 subsection (2) of this section, subject to the reduction under  
2 subsections (6) and (7) of this section. To qualify for the total  
3 distribution under this subsection, the county must impose the tax  
4 under RCW 82.14.030(2) for the entire calendar year. Counties  
5 imposing the tax for less than the full year shall qualify for  
6 prorated allocations under this subsection proportionate to the  
7 number of months of the year during which the tax is imposed.

8 (5) Subsequent to the distributions under subsection (4) of  
9 this section and at such times as distributions are made under RCW  
10 82.44.150, the state treasurer shall apportion to each county  
11 imposing the sales and use tax under RCW 82.14.030(2) at the  
12 maximum rate and receiving a distribution under subsection (3) of  
13 this section, a fourth distribution from the county sales and use  
14 tax equalization account. The distribution to each qualifying  
15 county shall be equal to the distribution to the county under  
16 subsection (3) of this section, subject to the reduction under  
17 subsections (6) and (7) of this section. To qualify for the  
18 distributions under this subsection, the county must impose the tax  
19 under RCW 82.14.030(2) for the entire calendar year. Counties  
20 imposing the tax for less than the full year shall qualify for  
21 prorated allocations under this subsection proportionate to the  
22 number of months of the year during which the tax is imposed.

23 (6) Revenues distributed under subsections (2) through (5) of  
24 this section in any calendar year shall not exceed an amount equal  
25 to seventy percent of the statewide weighted average per capita  
26 level of revenues for the unincorporated areas of all counties  
27 during the previous calendar year. If distributions under  
28 subsections (3) through (5) of this section cannot be made because  
29 of this limitation, then distributions under subsections (3)  
30 through (5) of this section shall be reduced ratably among the  
31 qualifying counties.

32 (7) If inadequate revenues exist in the county sales and use  
33 tax equalization account to make the distributions under  
34 subsections (3) through (5) of this section, then the distributions  
35 under subsections (3) through (5) of this section shall be reduced  
36 ratably among the qualifying counties. At such time during the year  
37 as additional funds accrue to the county sales and use tax  
38 equalization account, additional distributions shall be made under  
39 subsections (3) through (5) of this section to the counties.

1 (8) If the level of revenues in the county sales and use tax  
2 equalization account exceeds the amount necessary to make the  
3 distributions under subsections (2) through (5) of this section, at  
4 such times as distributions are made under RCW 82.44.150, the state  
5 treasurer shall apportion an amount to the county public health  
6 account created in RCW 70.05.125 equal to the adjustment under RCW  
7 70.05.125(2)(b).

8 (9) If the level of revenues in the county sales and use tax  
9 equalization account exceeds the amount necessary to make the  
10 distributions under subsections (2) through (5) and (8) of this  
11 section, then the additional revenues shall be credited and  
12 transferred as follows:

13 (a) Fifty percent to the public facilities construction loan  
14 revolving account under RCW 43.160.080; and

15 (b) Fifty percent to the distressed county public facilities  
16 construction loan account under RCW 43.160.220, or so much thereof  
17 as will not cause the balance in the account to exceed twenty-five  
18 million dollars. Any remaining funds shall be deposited into the  
19 public facilities construction loan revolving account."

20 Renumber remaining sections consecutively, correct internal  
21 references accordingly, and correct the title.

**EFFECT:** Requires that one-third of sales tax money collected  
be deposited to the county sales and use tax equalization  
account for distribution.