

E2SSB 5557 - H COMM AMD
By Committee on Finance

ADOPTED 04/20/2007

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

3 "Sec. 1. RCW 82.14.370 and 2004 c 130 s 2 are each amended to read
4 as follows:

5 (1) The legislative authority of a rural county may impose a sales
6 and use tax in accordance with the terms of this chapter. The tax is
7 in addition to other taxes authorized by law and shall be collected
8 from those persons who are taxable by the state under chapters 82.08
9 and 82.12 RCW upon the occurrence of any taxable event within the
10 county. The rate of tax shall not exceed (~~0.08~~) 0.09 percent of the
11 selling price in the case of a sales tax or value of the article used
12 in the case of a use tax, except that for rural counties with
13 population densities between sixty and one hundred persons per square
14 mile, the rate shall not exceed 0.04 percent before January 1, 2000.

15 (2) The tax imposed under subsection (1) of this section shall be
16 deducted from the amount of tax otherwise required to be collected or
17 paid over to the department of revenue under chapter 82.08 or 82.12
18 RCW. The department of revenue shall perform the collection of such
19 taxes on behalf of the county at no cost to the county.

20 (3)(a) Moneys collected under this section shall only be used to
21 finance public facilities serving economic development purposes in
22 rural counties. The public facility must be listed as an item in the
23 officially adopted county overall economic development plan, or the
24 economic development section of the county's comprehensive plan, or the
25 comprehensive plan of a city or town located within the county for
26 those counties planning under RCW 36.70A.040. For those counties that
27 do not have an adopted overall economic development plan and do not
28 plan under the growth management act, the public facility must be
29 listed in the county's capital facilities plan or the capital
30 facilities plan of a city or town located within the county.

1 (b) In implementing this section, the county shall consult with
2 cities, towns, and port districts located within the county and the
3 associate development organization serving the county to ensure that
4 the expenditure meets the goals of chapter 130, Laws of 2004 and the
5 requirements of (a) of this subsection. Each county collecting money
6 under this section shall report, as follows, to the office of the state
7 auditor, (~~(no later than October 1st)~~) within one hundred fifty days
8 after the close of each fiscal year((~~τ~~)): (i) A list of new projects
9 (~~(from)~~) begun during the (~~(prior)~~) fiscal year, showing that the
10 county has used the funds for those projects consistent with the goals
11 of chapter 130, Laws of 2004 and the requirements of (a) of this
12 subsection; and (ii) expenditures during the fiscal year on projects
13 begun in a previous year. Any projects financed prior to June 10,
14 2004, from the proceeds of obligations to which the tax imposed under
15 subsection (1) of this section has been pledged shall not be deemed to
16 be new projects under this subsection. No new projects funded with
17 money collected under this section may be for justice system
18 facilities.

19 (c) For the purposes of this section, (i) "public facilities" means
20 bridges, roads, domestic and industrial water facilities, sanitary
21 sewer facilities, earth stabilization, storm sewer facilities,
22 railroad, electricity, natural gas, buildings, structures,
23 telecommunications infrastructure, transportation infrastructure, or
24 commercial infrastructure, and port facilities in the state of
25 Washington; and (ii) "economic development purposes" means those
26 purposes which facilitate the creation or retention of businesses and
27 jobs in a county.

28 (4) No tax may be collected under this section before July 1, 1998.
29 No tax may be collected under this section by a county more than
30 twenty-five years after the date that a tax is first imposed under this
31 section.

32 (5) For purposes of this section, "rural county" means a county
33 with a population density of less than one hundred persons per square
34 mile or a county smaller than two hundred twenty-five square miles as
35 determined by the office of financial management and published each
36 year by the department for the period July 1st to June 30th.

37 NEW SECTION. Sec. 2. This act takes effect August 1, 2007."

EFFECT: Authorizes a tax rate increase of 0.01 percent as opposed to 0.02 percent.

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