

**SHB 1396** - S AMD 425

By Senator Pflug

NOT ADOPTED 4/10/2007

1 On page 3, after line 21, insert the following:

2 **Sec. 3.** RCW 81.104.160 and 2003 c 1 s 6 (Initiative Measure No.  
3 776, approved November 5, 2002) are each amended to read as follows:

4 An agency may impose a sales and use tax (~~((solely))~~) for the purpose  
5 of providing (~~((high capacity))~~) transportation services, including  
6 replacement, improvement, and construction of highways of statewide  
7 significance, in addition to the tax authorized by RCW 82.14.030, upon  
8 retail car rentals within the agency's jurisdiction that are taxable by  
9 the state under chapters 82.08 and 82.12 RCW. The rate of tax shall  
10 not exceed 2.172 percent. The base of the tax shall be the selling  
11 price in the case of a sales tax or the rental value of the vehicle  
12 used in the case of a use tax.

13 Any motor vehicle excise tax previously imposed under the  
14 provisions of RCW 81.104.160(1) shall be repealed, terminated and  
15 expire on December 5, 2002.

16

17 **Sec. 4.** RCW 81.104.170 and 1997 c 450 s 5 are each amended to read  
18 as follows:

19 Cities that operate transit systems, county transportation  
20 authorities, metropolitan municipal corporations, public transportation  
21 benefit areas, and regional transit authorities may submit an  
22 authorizing proposition to the voters and if approved by a majority of  
23 persons voting, fix and impose a sales and use tax in accordance with  
24 the terms of this chapter, (~~((solely))~~) for the purpose of providing  
25 (~~((high capacity))~~) transportation services, including replacement,  
26 improvement, and construction of highways of statewide significance.

27 The tax authorized pursuant to this section shall be in addition to  
28 the tax authorized by RCW 82.14.030 and shall be collected from those  
29 persons who are taxable by the state pursuant to chapters 82.08 and  
30 82.12 RCW upon the occurrence of any taxable event within the taxing  
31 district. The maximum rate of such tax shall be approved by the voters  
32 and shall not exceed one percent of the selling price (in the case of

1 a sales tax) or value of the article used (in the case of a use tax).  
2 The maximum rate of such tax that may be imposed shall not exceed  
3 nine-tenths of one percent in any county that imposes a tax under RCW  
4 82.14.340, or within a regional transit authority if any county within  
5 the authority imposes a tax under RCW 82.14.340. The exemptions in RCW  
6 82.08.820 and 82.12.820 are for the state portion of the sales and use  
7 tax and do not extend to the tax authorized in this section.

8 Renumber the sections consecutively and correct any internal  
9 references accordingly.

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**EFFECT:** Permits Sound Transit to use voter approved tax revenues for the replacement, improvement, and construction of highways of statewide significance.