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SENATE BILL 5380

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State of Washington                      60th Legislature                      2007 Regular Session

By Senators Prentice, Zarelli, Marr, Morton and Shin; by request of Department of Revenue

Read first time 01/18/2007. Referred to Committee on Ways & Means.

1            AN ACT Relating to authorizing the governor to enter into a  
2 cigarette tax contract with the Spokane Tribe; and amending RCW  
3 43.06.460.

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

5            **Sec. 1.** RCW 43.06.460 and 2005 c 208 s 1 are each amended to read  
6 as follows:

7            (1) The governor is authorized to enter into cigarette tax  
8 contracts with the Squaxin Island Tribe, the Nisqually Tribe, Tulalip  
9 Tribes, the Muckleshoot Indian Tribe, the Quinault Nation, the  
10 Jamestown S'Klallam Indian Tribe, the Port Gamble S'Klallam Tribe, the  
11 Stillaguamish Tribe, the Sauk-Suiattle Tribe, the Skokomish Indian  
12 Tribe, the Yakama Nation, the Suquamish Tribe, the Nooksack Indian  
13 Tribe, the Lummi Nation, the Chehalis Confederated Tribes, the Upper  
14 Skagit Tribe, the Snoqualmie Tribe, the Swinomish Tribe, the Samish  
15 Indian Nation, the Quileute Tribe, the Kalispel Tribe, the Confederated  
16 Tribes of the Colville Reservation, the Cowlitz Indian Tribe, the Lower  
17 Elwha Klallam Tribe, (~~and~~) the Makah Tribe, and the Spokane Tribe.  
18 Each contract adopted under this section shall provide that the tribal  
19 cigarette tax rate be one hundred percent of the state cigarette and

1 state and local sales and use taxes within three years of enacting the  
2 tribal tax and shall be set no lower than eighty percent of the state  
3 cigarette and state and local sales and use taxes during the three-year  
4 phase-in period. The three-year phase-in period shall be shortened by  
5 three months each quarter the number of cartons of nontribal  
6 manufactured cigarettes is at least ten percent or more than the  
7 quarterly average number of cartons of nontribal manufactured  
8 cigarettes from the six-month period preceding the imposition of the  
9 tribal tax under the contract. Sales at a retailer operation not in  
10 existence as of the date a tribal tax under this section is imposed are  
11 subject to the full rate of the tribal tax under the contract. The  
12 tribal cigarette tax is in lieu of the state cigarette and state and  
13 local sales and use taxes, as provided in RCW 43.06.455(3).

14 (2) A cigarette tax contract under this section is subject to RCW  
15 43.06.455.

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