
HOUSE BILL 1598

State of Washington

62nd Legislature

2011 Regular Session

By Representatives Springer, Asay, Clibborn, Haler, Eddy, Fitzgibbon,
and Frockt

Read first time 01/26/11. Referred to Committee on Local Government.

1 AN ACT Relating to county and city additional real estate excise
2 tax authority; amending RCW 82.46.035; reenacting and amending RCW
3 82.46.035; providing an effective date; and providing an expiration
4 date.

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

6 **Sec. 1.** RCW 82.46.035 and 2009 c 211 s 1 are each amended to read
7 as follows:

8 (1) The legislative authority of any county or city (~~shall~~) must
9 identify in the adopted budget the capital projects, maintenance and
10 operation expenditures, or both, funded in whole or in part from the
11 proceeds of the tax authorized in this section, and (~~shall~~) must
12 indicate that such tax is intended to be in addition to other funds
13 that may be reasonably available for (~~such capital projects~~) these
14 purposes.

15 (2) The legislative authority of any county or any city that plans
16 under RCW 36.70A.040 (1) or (2) may impose an additional excise tax on
17 each sale of real property in the unincorporated areas of the county
18 for the county tax and in the corporate limits of the city for the city
19 tax at a rate not exceeding one-quarter of one percent of the selling

1 price. (~~Any county choosing to plan under RCW 36.70A.040(2) and any~~
2 ~~city within such a county may only adopt an ordinance imposing the~~
3 ~~excise tax authorized by this section if the ordinance is first~~
4 ~~authorized by a proposition approved by a majority of the voters of the~~
5 ~~taxing district voting on the proposition at a general election held~~
6 ~~within the district or at a special election within the taxing district~~
7 ~~called by the district for the purpose of submitting such proposition~~
8 ~~to the voters.))~~

9 (3) Revenues generated from the tax imposed under subsection (2) of
10 this section shall be used by such counties and cities solely for
11 financing capital projects specified in a capital facilities plan
12 element of a comprehensive plan, and, at the option of the city or
13 county, maintenance and operation expenditures. However, revenues (a)
14 pledged by such counties and cities to debt retirement prior to March
15 1, 1992, may continue to be used for that purpose until the original
16 debt for which the revenues were pledged is retired, or (b) committed
17 prior to March 1, 1992, by such counties or cities to a project may
18 continue to be used for that purpose until the project is completed.

19 (4) Revenues generated by the tax imposed by this section shall be
20 deposited in a separate account.

21 (5) As used in this section: (a) "City" means any city or town;
22 (b) "capital project" means those public works projects of a local
23 government for planning, acquisition, construction, reconstruction,
24 repair, replacement, rehabilitation, or improvement of streets, roads,
25 highways, sidewalks, street and road lighting systems, traffic signals,
26 bridges, municipally owned heavy rail short line railroads, domestic
27 water systems, storm and sanitary sewer systems, (~~and planning,~~
28 ~~construction, reconstruction, repair, rehabilitation, or improvement~~
29 ~~of~~) parks, recreational facilities, law enforcement facilities, fire
30 protection facilities, trails, libraries, administrative and/or
31 judicial facilities, and river and/or waterway flood control projects;
32 and (c) "short line railroads" means class III railroads as defined by
33 the United States surface transportation board.

34 (6) When the governor files a notice of noncompliance under RCW
35 36.70A.340 with the secretary of state and the appropriate county or
36 city, the county or city's authority to impose the additional excise
37 tax under this section (~~shall be~~) is temporarily rescinded until the

1 governor files a subsequent notice rescinding the notice of
2 noncompliance.

3 (7) A city or county may use revenue generated under subsection (2)
4 of this section for municipally owned heavy short line railroads only
5 if the revenue was collected prior to December 31, 2008, and may not
6 use more than twenty-five percent of the total revenue generated under
7 subsection (2) of this section for municipally owned heavy short line
8 railroads.

9 **Sec. 2.** RCW 82.46.035 and 1992 c 221 s 3 and 1991 sp.s. c 32 s 33
10 are each reenacted and amended to read as follows:

11 (1) The legislative authority of any county or city (~~shall~~) must
12 identify in the adopted budget the capital projects, maintenance and
13 operation expenditures, or both, funded in whole or in part from the
14 proceeds of the tax authorized in this section, and (~~shall~~) must
15 indicate that such tax is intended to be in addition to other funds
16 that may be reasonably available for (~~such capital projects~~) these
17 purposes.

18 (2) The legislative authority of any county or any city that plans
19 under RCW 36.70A.040 (1) or (2) may impose an additional excise tax on
20 each sale of real property in the unincorporated areas of the county
21 for the county tax and in the corporate limits of the city for the city
22 tax at a rate not exceeding one-quarter of one percent of the selling
23 price. (~~Any county choosing to plan under RCW 36.70A.040(2) and any~~
24 ~~city within such a county may only adopt an ordinance imposing the~~
25 ~~excise tax authorized by this section if the ordinance is first~~
26 ~~authorized by a proposition approved by a majority of the voters of the~~
27 ~~taxing district voting on the proposition at a general election held~~
28 ~~within the district or at a special election within the taxing district~~
29 ~~called by the district for the purpose of submitting such proposition~~
30 ~~to the voters.))~~

31 (3) Revenues generated from the tax imposed under subsection (2) of
32 this section shall be used by such counties and cities solely for
33 financing capital projects specified in a capital facilities plan
34 element of a comprehensive plan, and, at the option of the city or
35 county, maintenance and operation expenditures. However, revenues (a)
36 pledged by such counties and cities to debt retirement prior to March
37 1, 1992, may continue to be used for that purpose until the original

1 debt for which the revenues were pledged is retired, or (b) committed
2 prior to March 1, 1992, by such counties or cities to a project may
3 continue to be used for that purpose until the project is completed.

4 (4) Revenues generated by the tax imposed by this section shall be
5 deposited in a separate account.

6 (5) As used in this section, "city" means any city or town and
7 "capital project" means those public works projects of a local
8 government for planning, acquisition, construction, reconstruction,
9 repair, replacement, rehabilitation, or improvement of streets, roads,
10 highways, sidewalks, street and road lighting systems, traffic signals,
11 bridges, domestic water systems, storm and sanitary sewer systems,
12 (~~and planning, construction, reconstruction, repair, rehabilitation,~~
13 ~~or improvement of~~) parks, recreational facilities, law enforcement
14 facilities, fire protection facilities, trails, libraries,
15 administrative and/or judicial facilities, and river and/or waterway
16 flood control projects.

17 (6) When the governor files a notice of noncompliance under RCW
18 36.70A.340 with the secretary of state and the appropriate county or
19 city, the county or city's authority to impose the additional excise
20 tax under this section (~~shall be~~) is temporarily rescinded until the
21 governor files a subsequent notice rescinding the notice of
22 noncompliance.

23 NEW SECTION. Sec. 3. Section 1 of this act expires June 30, 2012.

24 NEW SECTION. Sec. 4. Section 2 of this act takes effect June 30,
25 2012.

--- END ---