
HOUSE BILL 2978

State of Washington 65th Legislature 2018 Regular Session

By Representatives Harmsworth, Griffey, Muri, Walsh, Graves,
Manweller, Stambaugh, McDonald, Kraft, Stokesbary, Taylor, Eslick,
Hayes, Holy, and Pike

Read first time 01/31/18. Referred to Committee on Finance.

1 AN ACT Relating to reducing the state retail sales and use tax
2 rate; amending RCW 82.08.020; and providing an effective date.

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

4 **Sec. 1.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to
5 read as follows:

6 (1) (~~There is levied and collected a tax equal to six and five-~~
7 ~~tenths percent of the selling price on each retail sale in this state~~
8 ~~of~~) On the retail sale of any item listed in (a) through (e) of this
9 subsection (1) as follows, there is levied and collected a tax equal
10 to: Beginning July 1, 2018, until July 1, 2020, six and twenty-five
11 hundredths percent of the selling price; and beginning July 1, 2020,
12 six percent of the selling price:

13 (a) Tangible personal property, unless the sale is specifically
14 excluded from the RCW 82.04.050 definition of retail sale;

15 (b) Digital goods, digital codes, and digital automated services,
16 if the sale is included within the RCW 82.04.050 definition of retail
17 sale;

18 (c) Services, other than digital automated services, included
19 within the RCW 82.04.050 definition of retail sale;

20 (d) Extended warranties to consumers; and

1 (e) Anything else, the sale of which is included within the RCW
2 82.04.050 definition of retail sale.

3 (2) There is levied and collected an additional tax on each
4 retail car rental, regardless of whether the vehicle is licensed in
5 this state, equal to five and nine-tenths percent of the selling
6 price. The revenue collected under this subsection must be deposited
7 in the multimodal transportation account created in RCW 47.66.070.

8 (3) Beginning July 1, 2003, there is levied and collected an
9 additional tax of three-tenths of one percent of the selling price on
10 each retail sale of a motor vehicle in this state, other than retail
11 car rentals taxed under subsection (2) of this section. The revenue
12 collected under this subsection must be deposited in the multimodal
13 transportation account created in RCW 47.66.070.

14 (4) For purposes of subsection (3) of this section, "motor
15 vehicle" has the meaning provided in RCW 46.04.320, but does not
16 include:

17 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180
18 and 46.04.181, unless the farm tractor or farm vehicle is for use in
19 the production of marijuana;

20 (b) Off-road vehicles as defined in RCW 46.04.365;

21 (c) Nonhighway vehicles as defined in RCW 46.09.310; and

22 (d) Snowmobiles as defined in RCW 46.04.546.

23 (5) Beginning on December 8, 2005, 0.16 percent of the taxes
24 collected under subsection (1) of this section must be dedicated to
25 funding comprehensive performance audits required under RCW
26 43.09.470. The revenue identified in this subsection must be
27 deposited in the performance audits of government account created in
28 RCW 43.09.475.

29 (6) The taxes imposed under this chapter apply to successive
30 retail sales of the same property.

31 (7) The rates provided in this section apply to taxes imposed
32 under chapter 82.12 RCW as provided in RCW 82.12.020.

33 NEW SECTION. **Sec. 2.** This act takes effect July 1, 2018.

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