
SENATE BILL 5513

State of Washington

67th Legislature

2022 Regular Session

By Senators Hawkins, Kuderer, Pedersen, Warnick, and Wellman

Prefiled 12/07/21. Read first time 01/10/22. Referred to Committee on Housing & Local Government.

1 AN ACT Relating to expanding flexibility of existing lodging
2 taxes for affordable workforce housing; and amending RCW 67.28.181
3 and 67.28.1815.

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

5 **Sec. 1.** RCW 67.28.181 and 2015 3rd sp.s. c 24 s 703 are each
6 amended to read as follows:

7 (1) The legislative body of any municipality may impose an excise
8 tax on the sale of or charge made for the furnishing of lodging that
9 is subject to tax under chapter 82.08 RCW. The rate of tax shall not
10 exceed the lesser of two percent or a rate that, when combined with
11 all other taxes imposed upon sales of lodging within the municipality
12 under this chapter and chapters 36.100, 67.40, 82.08, and 82.14 RCW,
13 equals twelve percent. A tax under this chapter shall not be imposed
14 in increments smaller than tenths of a percent.

15 (2) Notwithstanding subsection (1) of this section:

16 (a) If a municipality was authorized to impose taxes under this
17 chapter or RCW 67.40.100 or both with a total rate exceeding four
18 percent before July 27, 1997, such total authorization shall continue
19 through January 31, 1999, and thereafter the municipality may impose
20 a tax under this section at a rate not exceeding the rate actually
21 imposed by the municipality on January 31, 1999.

1 (b) If a city or town, other than a municipality imposing a tax
2 under (a) of this subsection, is located in a county that imposed
3 taxes under this chapter with a total rate of four percent or more on
4 January 1, 1997, the city or town may not impose a tax under this
5 section.

6 (c) If a city has a population of four hundred thousand or more
7 and is located in a county with a population of one million or more,
8 the rate of tax imposed under this chapter by the city shall not
9 exceed the lesser of four percent or a rate that, when combined with
10 all other taxes imposed upon sales of lodging in the municipality
11 under this chapter and chapters 36.100, 67.40, 82.08, and 82.14 RCW,
12 equals fifteen and two-tenths percent.

13 (d) If a municipality was authorized to impose taxes under this
14 chapter or RCW 67.40.100, or both, at a rate equal to six percent
15 before January 1, 1998, the municipality may impose a tax under this
16 section at a rate not exceeding the rate actually imposed by the
17 municipality on January 1, 1998.

18 (3) Any county ordinance or resolution adopted under this section
19 shall contain a provision allowing a credit against the county tax
20 for the full amount of any city or town tax imposed under this
21 section upon the same taxable event.

22 (4) In determining the effective combined rate of tax for
23 purposes of the limit in subsections (1) and (2)(c) of this section,
24 the tax rate under RCW 82.14.530 is not included.

25 (5) Until January 1, 2032, up to 33 percent of any levy
26 authorized by this section in a county east of the crest of the
27 Cascade mountains that has a population of at least 75,000 and no
28 more than 90,000 may be used for contracts, loans, or grants to
29 nonprofit organizations or public housing authorities for affordable
30 workforce housing. As used in this subsection, "affordable workforce
31 housing" means housing for a single person, family, or unrelated
32 persons living together whose income is at least 60 percent and no
33 more than 120 percent of the median income, adjusted for housing
34 size, for the county where the housing is located.

35 **Sec. 2.** RCW 67.28.1815 and 2008 c 264 s 3 are each amended to
36 read as follows:

37 Except as provided in RCW 67.28.180 and 67.28.181(5), all revenue
38 from taxes imposed under this chapter shall be credited to a special
39 fund in the treasury of the municipality imposing such tax and used

1 solely for the purpose of paying all or any part of the cost of
2 tourism promotion, acquisition of tourism-related facilities, or
3 operation of tourism-related facilities. Municipalities may, under
4 chapter 39.34 RCW, agree to the utilization of revenue from taxes
5 imposed under this chapter for the purposes of funding a
6 multijurisdictional tourism-related facility.

--- END ---