

RCW 35.21.870 Electricity, telephone, natural gas, or steam energy business—Tax limited to six percent—Exception. (1) No city or town may impose a tax on the privilege of conducting an electrical energy, natural gas, steam energy, or telephone business at a rate which exceeds six percent unless the rate is first approved by a majority of the voters of the city or town voting on such a proposition.

(2) (a) If a city or town is imposing a rate of tax under subsection (1) of this section in excess of six percent on April 20, 1982, the city or town must decrease the rate to a rate of six percent or less by reducing the rate each year on or before November 1st by ordinances to be effective on January 1st of the succeeding year, by an amount equal to one-tenth the difference between the tax rate on April 20, 1982, and six percent.

(b) Nothing in this subsection prohibits a city or town from reducing its rates by amounts greater than the amounts required in this subsection.

(3) Voter approved rate increases under subsection (1) of this section may not be included in the computations under this subsection.

(4) No city or town may impose a tax on the privilege of conducting a natural gas business with respect to sales that are exempt from the tax imposed under chapter 82.16 RCW as provided in RCW 82.16.310 at a rate higher than its business and occupation tax rate on the sale of tangible personal property or, if the city or town does not impose a business and occupation tax on the sale of tangible personal property, at a rate greater than .002. [2014 c 216 § 306; 1984 c 225 § 6; 1983 c 99 § 5; 1982 1st ex.s. c 49 § 4.]

Effective date—Findings—Tax preference performance statement—2014 c 216: See notes following RCW 82.38.030.

Rules—1984 c 225: "The department of revenue shall adopt rules as necessary to implement this act." [1984 c 225 § 7.]

Intent—Construction—Effective date—Fire district funding—1982 1st ex.s. c 49: See notes following RCW 35.21.710.