

**RCW 35.87A.010 Authorized—Purposes—Special assessments.** To aid general economic development and neighborhood revitalization, and to facilitate the cooperation of merchants, businesses, and residential property owners which assists trade, economic viability, and liveability, the legislature hereby authorizes all counties and all incorporated cities and towns, including unclassified cities and towns operating under special charters:

(1) To establish, after a petition submitted by the operators responsible for sixty percent of the assessments by businesses and multifamily residential or mixed-use projects within the area, parking and business improvement areas, hereafter referred to as area or areas, for the following purposes:

(a) The acquisition, construction or maintenance of parking facilities for the benefit of the area;

(b) Decoration of any public place in the area;

(c) Sponsorship or promotion of public events which are to take place on or in public places in the area;

(d) Furnishing of music in any public place in the area;

(e) Providing professional management, planning, and promotion for the area, including the management and promotion of retail trade activities in the area;

(f) Providing maintenance and security for common, public areas;

or  
(g) Providing transportation services for the benefit of the area.

(2) (a) To levy special assessments on all businesses and multifamily residential or mixed-use projects within the area and specially benefited by a parking and business improvement area to pay in whole or in part the damages or costs incurred therein as provided in this chapter.

(b) A lodging business may, but is not required to, collect any special assessment amount from its guests in the form of a separately stated charge per night on the sale of lodging taxable by the state under chapter 82.08 RCW. Such charges must be separately stated from the room rate on the invoice, bill of sale, or similar document provided by the lodging business to the guest. A lodging business that collects a special assessment from its guests as authorized under this subsection (2)(b) is deemed to be collecting the assessment amount from its guests as agent for the jurisdiction levying the special assessment. Such per night charges are not part of the selling price under RCW 82.08.010 for state and local sales tax purposes, nor are they part of the gross proceeds of sales of the lodging business for purposes of state business and occupation taxes imposed under chapter 82.04 RCW. [2021 c 225 § 1; 2005 c 178 § 1; 2000 c 201 § 1; 1993 c 429 § 1; 1985 c 128 § 1; 1981 c 279 § 1; 1971 ex.s. c 45 § 1.]

**Retroactive application—2021 c 225:** "This act applies prospectively to any special assessment amounts collected by a lodging business as provided in section 1 of this act that are collected on or after May 10, 2021, as well as retroactively for any taxpayer who has been assessed taxes by the department of revenue prior to May 10, 2021, on any special assessment amounts collected by a lodging business as provided in section 1 of this act. Nothing in this act is intended to be construed to require or otherwise authorize a refund of taxes lawfully paid prior to May 10, 2021." [2021 c 225 § 4.]

**Effective date—2021 c 225:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [May 10, 2021]." [2021 c 225 § 5.]