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**BILL REQUEST - CODE REVISER'S OFFICE**

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BILL REQ. #: S-5333.3/20 3rd draft

ATTY/TYPIST: AI:jlb

BRIEF DESCRIPTION: Concerning regional transit authorities.

1       AN ACT Relating to regional transit authorities; amending RCW  
2 82.44.135; reenacting and amending RCW 81.104.160 and 82.44.035;  
3 creating a new section; repealing RCW 82.44.038 and 81.112.800;  
4 repealing 2020 c 1 ss 9, 10, and 13; repealing 2020 c 1 ss 11 and 16  
5 (uncodified); providing a contingent effective date; and declaring an  
6 emergency.

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

8       **Sec. 1.** RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each  
9 reenacted and amended to read as follows:

10       (1) Regional transit authorities that include a county with a  
11 population of more than one million five hundred thousand may submit  
12 an authorizing proposition to the voters, and if approved, may levy  
13 and collect an excise tax, at a rate approved by the voters, but not  
14 exceeding eight-tenths of one percent on the value, under chapter  
15 82.44 RCW, of every motor vehicle owned by a resident of the taxing  
16 district, solely for the purpose of providing high capacity  
17 transportation service. The maximum tax rate under this subsection  
18 does not include a motor vehicle excise tax approved before July 15,  
19 2015, if the tax will terminate on the date bond debt to which the  
20 tax is pledged is repaid. This tax does not apply to vehicles  
21 licensed under RCW 46.16A.455 except vehicles with an unladen weight

1 of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2).  
2 (~~Notwithstanding any other provision of this subsection or chapter~~  
3 ~~82.44 RCW, a motor vehicle excise tax imposed by a regional transit~~  
4 ~~authority before or after July 15, 2015, must comply with chapter~~  
5 ~~82.44 RCW as it existed on January 1, 1996, until December 31st of~~  
6 ~~the year in which the regional transit authority repays bond debt to~~  
7 ~~which a motor vehicle excise tax was pledged before July 15, 2015.~~  
8 ~~Motor vehicle taxes collected by regional transit authorities after~~  
9 ~~December 31st of the year in which a regional transit authority~~  
10 ~~repays bond debt to which a motor vehicle excise tax was pledged~~  
11 ~~before July 15, 2015, must comply with chapter 82.44 RCW as it~~  
12 ~~existed on the date the tax was approved by voters.)) The motor~~  
13 ~~vehicle excise tax imposed under this subsection (1) must comply with~~  
14 ~~RCW 82.44.035.~~

15 (2) An agency and high capacity transportation corridor area may  
16 impose a sales and use tax solely for the purpose of providing high  
17 capacity transportation service, in addition to the tax authorized by  
18 RCW 82.14.030, upon retail car rentals within the applicable  
19 jurisdiction that are taxable by the state under chapters 82.08 and  
20 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of  
21 tax imposed under this subsection must bear the same ratio of the  
22 2.172 percent authorized that the rate imposed under subsection (1)  
23 of this section bears to the rate authorized under subsection (1) of  
24 this section. The base of the tax is the selling price in the case of  
25 a sales tax or the rental value of the vehicle used in the case of a  
26 use tax.

27 (3) Any motor vehicle excise tax (~~previously~~) imposed under the  
28 provisions of (~~RCW 81.104.160(1)~~) subsection (1) of this section  
29 before December 5, 2002, shall be repealed, terminated, and expire on  
30 December 5, 2002, except for a motor vehicle excise tax for which  
31 revenues have been contractually pledged to repay a bonded debt  
32 issued before December 5, 2002, as determined by *Pierce County et al.*  
33 *v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds  
34 that were (~~previously~~) issued before December 5, 2002, the motor  
35 vehicle excise tax must comply with (~~chapter 82.44 RCW as it existed~~  
36 ~~on January 1, 1996~~) RCW 82.44.035.

37 (4) If a regional transit authority imposes the tax authorized  
38 under subsection (1) of this section, the authority may not receive  
39 any state grant funds provided in an omnibus transportation

appropriations act except transit coordination grants created in chapter 11, Laws of 2015 3rd sp. sess.

**Sec. 2.** RCW 82.44.035 and 2010 c 161 s 910 are each reenacted and amended to read as follows:

(1) For the purpose of determining any locally imposed motor vehicle excise tax, the value of a truck or trailer shall be the latest purchase price of the vehicle, excluding applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the following percentage based on year of service of the vehicle since last sale. The latest purchase year shall be considered the first year of service.

YEAR OF SERVICE	PERCENTAGE
1	100
2	81
3	67
4	55
5	45
6	37
7	30
8	25
9	20
10	16
11	13
12	11
13	9
14	7
15	3
16 or older	0

(2) The reissuance of a certificate of title and registration certificate for a truck or trailer because of the installation of body or special equipment shall be treated as a sale, and the value of the truck or trailer at that time, as determined by the department

from such information as may be available, shall be considered the latest purchase price.

(3) For the purpose of determining any locally imposed motor vehicle excise tax, the value of a vehicle other than a truck or trailer shall be eighty-five percent of the manufacturer's base suggested retail price of the vehicle when first offered for sale as a new vehicle, excluding any optional equipment, applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the applicable percentage listed in this subsection (3) based on year of service of the vehicle.

If the manufacturer's base suggested retail price is unavailable or otherwise unascertainable at the time of initial registration in this state, the department shall determine a value equivalent to a manufacturer's base suggested retail price as follows:

(a) The department shall determine a value using any information that may be available, including any guidebook, report, or compendium of recognized standing in the automotive industry or the selling price and year of sale of the vehicle. The department may use an appraisal by the county assessor. In valuing a vehicle for which the current value or selling price is not indicative of the value of similar vehicles of the same year and model, the department shall establish a value that more closely represents the average value of similar vehicles of the same year and model. The value determined in this subsection (3)(a) shall be divided by the applicable percentage listed in (b) of this subsection (3) to establish a value equivalent to a manufacturer's base suggested retail price and this value shall be multiplied by eighty-five percent.

(b) The year the vehicle is offered for sale as a new vehicle shall be considered the first year of service.

YEAR OF SERVICE	PERCENTAGE
1	100
2	81
3	72
4	63
5	55
6	47
7	41



1 (5) 2020 c 1 (Initiative Measure No. 976) s 11 (uncodified);  
2 (6) 2020 c 1 (Initiative Measure No. 976) s 13; and  
3 (7) 2020 c 1 (Initiative Measure No. 976) s 16 (uncodified).

4 NEW SECTION. **Sec. 5.** Section 4 of this act takes effect  
5 immediately upon a court of final jurisdiction holding that chapter 1  
6 (Initiative Measure No. 976), Laws of 2020 is no longer enjoined from  
7 effectiveness.

8 NEW SECTION. **Sec. 6.** The department of revenue must provide  
9 written notice of the effective date of section 4 of this act to  
10 affected parties, the chief clerk of the house of representatives,  
11 the secretary of the senate, the office of the code reviser, and  
12 others as deemed appropriate by the department.

13 NEW SECTION. **Sec. 7.** Section 5 of this act is necessary for the  
14 immediate preservation of the public peace, health, or safety, or  
15 support of the state government and its existing public institutions,  
16 and takes effect immediately.

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