
SENATE BILL 6245

State of Washington

66th Legislature

2020 Regular Session

By Senator O'Ban

1 AN ACT Relating to limiting state and local taxes, fees, and
2 other charges relating to vehicles; amending RCW 46.17.355,
3 46.17.323, 82.08.020, 82.12.020, 82.44.065, 81.104.140, and
4 81.104.160; reenacting and amending RCW 46.17.350; adding a new
5 section to chapter 46.17 RCW; adding a new section to chapter 82.44
6 RCW; adding a new section to chapter 81.112 RCW; creating new
7 sections; repealing RCW 46.17.365, 46.68.415, 82.80.130, 82.80.140,
8 82.44.035, and 81.104.160; providing an effective date; providing
9 contingent effective dates; and declaring an emergency.

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

11 **BRING BACK OUR \$30 CAR TABS**
12 **POLICIES AND PURPOSES**

13 NEW SECTION. **Sec. 1.** Voters have repeatedly approved
14 initiatives limiting vehicle costs, yet politicians keep ignoring the
15 voters' repeated, unambiguous mandate by imposing higher and higher
16 vehicle taxes and fees. It's not fair and it must stop. Without this
17 follow-up ballot measure, vehicle costs will continue to skyrocket
18 until vehicle charges are obscenely expensive, as they were prior to
19 Initiative 695. This measure and each of its provisions limit state
20 and local taxes, fees, and other charges relating to motor vehicles.

1 This measure would limit annual motor vehicle license fees to \$30,
2 except voter-approved charges, repeal and remove authority to impose
3 certain vehicle taxes and charges; and base vehicle taxes on Kelley
4 Blue Book rather than the dishonest, inaccurate, and artificially
5 inflated manufacturer's suggested retail price. Voters have
6 repeatedly approved initiatives limiting vehicle costs. Politicians
7 must learn to listen to the people.

8

9 **LIMITING ANNUAL MOTOR VEHICLE LICENSE FEES TO \$30, EXCEPT VOTER-**
10 **APPROVED CHARGES**

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.17
12 RCW to read as follows:

13 (1) State and local motor vehicle license fees may not exceed
14 thirty dollars per year for motor vehicles, regardless of year,
15 value, make, or model.

16 (2) For the purposes of this section, "state and local motor
17 vehicle license fees" means the general license tab fees paid
18 annually for licensing motor vehicles, including but not limited to
19 cars, sport utility vehicles, light trucks under RCW 46.17.355,
20 motorcycles, and motor homes, and do not include charges approved by
21 voters after the effective date of this section. This annual fee must
22 be paid and collected annually and is due at the time of initial and
23 renewal vehicle registration.

24 **Sec. 3.** RCW 46.17.350 and 2019 c 44 s 4 are each reenacted and
25 amended to read as follows:

26 (1) Before accepting an application for a vehicle registration,
27 the department, county auditor or other agent, or subagent appointed
28 by the director shall require the applicant, unless specifically
29 exempt, to pay the following vehicle license fee by vehicle type:

30	VEHICLE TYPE	INITIAL	RENEWAL	DISTRIBUTED
31		FEE	FEE	UNDER
32	(a) Auto stage, six seats or	\$ 30.00	\$ 30.00	RCW 46.68.030
33	less			
34	(b) Camper	\$ 4.90	\$ 3.50	RCW 46.68.030

1	(c) Commercial trailer	\$ ((34.00))	\$ ((34.00))	RCW 46.68.035
2		<u>30.00</u>	<u>30.00</u>	
3	(d) For hire vehicle, six	\$ 30.00	\$ 30.00	RCW 46.68.030
4	seats or less			
5	(e) Mobile home (if	\$ 30.00	\$ 30.00	RCW 46.68.030
6	registered)			
7	(f) Moped	\$ 30.00	\$ 30.00	RCW 46.68.030
8	(g) Motor home	\$ 30.00	\$ 30.00	RCW 46.68.030
9	(h) Motorcycle	\$ 30.00	\$ 30.00	RCW 46.68.030
10	(i) Off-road vehicle	\$ 18.00	\$ 18.00	RCW 46.68.045
11	(j) Passenger car	\$ 30.00	\$ 30.00	RCW 46.68.030
12	(k) Private use single-axle	\$ 15.00	\$ 15.00	RCW 46.68.035
13	trailer			
14	(l) Snowmobile	\$ ((50.00))	\$ ((50.00))	RCW 46.68.350
15		<u>30.00</u>	<u>30.00</u>	
16	(m) Snowmobile, vintage	\$ 12.00	\$ 12.00	RCW 46.68.350
17	(n) Sport utility vehicle	\$ 30.00	\$ 30.00	RCW 46.68.030
18	(o) Tow truck	\$ 30.00	\$ 30.00	RCW 46.68.030
19	(p) Trailer, over 2000	\$ 30.00	\$ 30.00	RCW 46.68.030
20	pounds			
21	(q) Travel trailer	\$ 30.00	\$ 30.00	RCW 46.68.030
22	(r) Wheeled all-terrain	\$ 12.00	\$ 12.00	RCW 46.09.540
23	vehicle, on-road use			
24	(s) Wheeled all-terrain	\$ 18.00	\$ 18.00	RCW 46.09.510
25	vehicle, off-road use			

26 (2) The vehicle license fee required in subsection (1) of this
27 section is in addition to the filing fee required under RCW
28 46.17.005, and any other fee or tax required by law.

29 **Sec. 4.** RCW 46.17.355 and 2015 3rd sp.s. c 44 s 201 are each
30 amended to read as follows:

31 (1) (a) For vehicle registrations that are due or become due
32 before July 1, 2016, in lieu of the vehicle license fee required
33 under RCW 46.17.350 and before accepting an application for a vehicle
34 registration for motor vehicles described in RCW 46.16A.455, the

1 department, county auditor or other agent, or subagent appointed by
2 the director shall require the applicant, unless specifically exempt,
3 to pay the following license fee by weight:

4	WEIGHT	SCHEDULE	SCHEDULE
5		A	B
6	4,000 pounds	\$ 38.00	\$ 38.00
7	6,000 pounds	\$ 48.00	\$ 48.00
8	8,000 pounds	\$ 58.00	\$ 58.00
9	10,000 pounds	\$ 60.00	\$ 60.00
10	12,000 pounds	\$ 77.00	\$ 77.00
11	14,000 pounds	\$ 88.00	\$ 88.00
12	16,000 pounds	\$ 100.00	\$ 100.00
13	18,000 pounds	\$ 152.00	\$ 152.00
14	20,000 pounds	\$ 169.00	\$ 169.00
15	22,000 pounds	\$ 183.00	\$ 183.00
16	24,000 pounds	\$ 198.00	\$ 198.00
17	26,000 pounds	\$ 209.00	\$ 209.00
18	28,000 pounds	\$ 247.00	\$ 247.00
19	30,000 pounds	\$ 285.00	\$ 285.00
20	32,000 pounds	\$ 344.00	\$ 344.00
21	34,000 pounds	\$ 366.00	\$ 366.00
22	36,000 pounds	\$ 397.00	\$ 397.00
23	38,000 pounds	\$ 436.00	\$ 436.00
24	40,000 pounds	\$ 499.00	\$ 499.00
25	42,000 pounds	\$ 519.00	\$ 609.00
26	44,000 pounds	\$ 530.00	\$ 620.00
27	46,000 pounds	\$ 570.00	\$ 660.00
28	48,000 pounds	\$ 594.00	\$ 684.00
29	50,000 pounds	\$ 645.00	\$ 735.00
30	52,000 pounds	\$ 678.00	\$ 768.00
31	54,000 pounds	\$ 732.00	\$ 822.00
32	56,000 pounds	\$ 773.00	\$ 863.00
33	58,000 pounds	\$ 804.00	\$ 894.00

1	60,000 pounds	\$ 857.00	\$ 947.00
2	62,000 pounds	\$ 919.00	\$ 1,009.00
3	64,000 pounds	\$ 939.00	\$ 1,029.00
4	66,000 pounds	\$ 1,046.00	\$ 1,136.00
5	68,000 pounds	\$ 1,091.00	\$ 1,181.00
6	70,000 pounds	\$ 1,175.00	\$ 1,265.00
7	72,000 pounds	\$ 1,257.00	\$ 1,347.00
8	74,000 pounds	\$ 1,366.00	\$ 1,456.00
9	76,000 pounds	\$ 1,476.00	\$ 1,566.00
10	78,000 pounds	\$ 1,612.00	\$ 1,702.00
11	80,000 pounds	\$ 1,740.00	\$ 1,830.00
12	82,000 pounds	\$ 1,861.00	\$ 1,951.00
13	84,000 pounds	\$ 1,981.00	\$ 2,071.00
14	86,000 pounds	\$ 2,102.00	\$ 2,192.00
15	88,000 pounds	\$ 2,223.00	\$ 2,313.00
16	90,000 pounds	\$ 2,344.00	\$ 2,434.00
17	92,000 pounds	\$ 2,464.00	\$ 2,554.00
18	94,000 pounds	\$ 2,585.00	\$ 2,675.00
19	96,000 pounds	\$ 2,706.00	\$ 2,796.00
20	98,000 pounds	\$ 2,827.00	\$ 2,917.00
21	100,000 pounds	\$ 2,947.00	\$ 3,037.00
22	102,000 pounds	\$ 3,068.00	\$ 3,158.00
23	104,000 pounds	\$ 3,189.00	\$ 3,279.00
24	105,500 pounds	\$ 3,310.00	\$ 3,400.00

25 (b) For vehicle registrations that are due or become due on or
26 after July 1, 2016, in lieu of the vehicle license fee required under
27 RCW 46.17.350 and before accepting an application for a vehicle
28 registration for motor vehicles described in RCW 46.16A.455, the
29 department, county auditor or other agent, or subagent appointed by
30 the director shall require the applicant, unless specifically exempt,
31 to pay the following license fee by gross weight:

32	WEIGHT	SCHEDULE	SCHEDULE
33		A	B

1	4,000 pounds	\$ ((53.00))	\$ ((53.00))
2		<u>30.00</u>	<u>30.00</u>
3	6,000 pounds	\$ ((73.00))	\$ ((73.00))
4		<u>30.00</u>	<u>30.00</u>
5	8,000 pounds	\$ ((93.00))	\$ ((93.00))
6		<u>30.00</u>	<u>30.00</u>
7	10,000 pounds	\$ ((93.00))	\$ ((93.00))
8		<u>30.00</u>	<u>30.00</u>
9	12,000 pounds	\$ 81.00	\$ 81.00
10	14,000 pounds	\$ 88.00	\$ 88.00
11	16,000 pounds	\$ 100.00	\$ 100.00
12	18,000 pounds	\$ 152.00	\$ 152.00
13	20,000 pounds	\$ 169.00	\$ 169.00
14	22,000 pounds	\$ 183.00	\$ 183.00
15	24,000 pounds	\$ 198.00	\$ 198.00
16	26,000 pounds	\$ 209.00	\$ 209.00
17	28,000 pounds	\$ 247.00	\$ 247.00
18	30,000 pounds	\$ 285.00	\$ 285.00
19	32,000 pounds	\$ 344.00	\$ 344.00
20	34,000 pounds	\$ 366.00	\$ 366.00
21	36,000 pounds	\$ 397.00	\$ 397.00
22	38,000 pounds	\$ 436.00	\$ 436.00
23	40,000 pounds	\$ 499.00	\$ 499.00
24	42,000 pounds	\$ 519.00	\$ 609.00
25	44,000 pounds	\$ 530.00	\$ 620.00
26	46,000 pounds	\$ 570.00	\$ 660.00
27	48,000 pounds	\$ 594.00	\$ 684.00
28	50,000 pounds	\$ 645.00	\$ 735.00
29	52,000 pounds	\$ 678.00	\$ 768.00
30	54,000 pounds	\$ 732.00	\$ 822.00
31	56,000 pounds	\$ 773.00	\$ 863.00
32	58,000 pounds	\$ 804.00	\$ 894.00
33	60,000 pounds	\$ 857.00	\$ 947.00

1	62,000 pounds	\$ 919.00	\$ 1,009.00
2	64,000 pounds	\$ 939.00	\$ 1,029.00
3	66,000 pounds	\$ 1,046.00	\$ 1,136.00
4	68,000 pounds	\$ 1,091.00	\$ 1,181.00
5	70,000 pounds	\$ 1,175.00	\$ 1,265.00
6	72,000 pounds	\$ 1,257.00	\$ 1,347.00
7	74,000 pounds	\$ 1,366.00	\$ 1,456.00
8	76,000 pounds	\$ 1,476.00	\$ 1,566.00
9	78,000 pounds	\$ 1,612.00	\$ 1,702.00
10	80,000 pounds	\$ 1,740.00	\$ 1,830.00
11	82,000 pounds	\$ 1,861.00	\$ 1,951.00
12	84,000 pounds	\$ 1,981.00	\$ 2,071.00
13	86,000 pounds	\$ 2,102.00	\$ 2,192.00
14	88,000 pounds	\$ 2,223.00	\$ 2,313.00
15	90,000 pounds	\$ 2,344.00	\$ 2,434.00
16	92,000 pounds	\$ 2,464.00	\$ 2,554.00
17	94,000 pounds	\$ 2,585.00	\$ 2,675.00
18	96,000 pounds	\$ 2,706.00	\$ 2,796.00
19	98,000 pounds	\$ 2,827.00	\$ 2,917.00
20	100,000 pounds	\$ 2,947.00	\$ 3,037.00
21	102,000 pounds	\$ 3,068.00	\$ 3,158.00
22	104,000 pounds	\$ 3,189.00	\$ 3,279.00
23	105,500 pounds	\$ 3,310.00	\$ 3,400.00

24 (2) Schedule A applies to vehicles either used exclusively for
25 hauling logs or that do not tow trailers. Schedule B applies to
26 vehicles that tow trailers and are not covered under Schedule A.

27 (3) If the resultant gross weight is not listed in the table
28 provided in subsection (1) of this section, it must be increased to
29 the next higher weight.

30 (4) The license fees provided in subsection (1) of this section
31 and the freight project fee provided in subsection (~~(6)~~) (7) of
32 this section are in addition to the filing fee required under RCW
33 46.17.005 and any other fee or tax required by law.

1 (5) The license fees provided in subsection (1) of this section
2 for light trucks weighing 10,000 pounds or less are limited to thirty
3 dollars.

4 (6) The license fee based on declared gross weight as provided in
5 subsection (1) of this section must be distributed under RCW
6 46.68.035.

7 ~~((6))~~ (7) For vehicle registrations that are due or become due
8 on or after July 1, 2016, in addition to the license fee based on
9 declared gross weight as provided in subsection (1) of this section,
10 the department, county auditor or other agent, or subagent appointed
11 by the director must require an applicant with a vehicle with a
12 declared gross weight of more than 10,000 pounds, unless specifically
13 exempt, to pay a freight project fee equal to fifteen percent of the
14 license fee provided in subsection (1) of this section, rounded to
15 the nearest whole dollar, which must be distributed under RCW
16 46.68.035.

17 ~~((7))~~ (8) For vehicle registrations that are due or become due
18 on or after July 1, 2022, in addition to the license fee based on
19 declared gross weight as provided in subsection (1) of this section,
20 the department, county auditor or other agent, or subagent appointed
21 by the director must require an applicant with a vehicle with a
22 declared gross weight of less than or equal to 12,000 pounds, unless
23 specifically exempt, to pay an additional weight fee of ten dollars,
24 which must be distributed under RCW 46.68.035.

25 **Sec. 5.** RCW 46.17.323 and 2015 3rd sp.s. c 44 s 203 are each
26 amended to read as follows:

27 (1) Before accepting an application for an annual vehicle
28 registration renewal for a vehicle that both (a) uses at least one
29 method of propulsion that is capable of being reenergized by an
30 external source of electricity and (b) is capable of traveling at
31 least thirty miles using only battery power, the department, county
32 auditor or other agent, or subagent appointed by the director must
33 require the applicant to pay a ~~((one hundred dollar fee in addition~~
34 ~~to any other fees and taxes required by law))~~ thirty dollar fee. The
35 ~~((one hundred))~~ thirty dollar fee is due only at the time of annual
36 registration renewal.

37 (2) This section only applies to a vehicle that is designed to
38 have the capability to drive at a speed of more than thirty-five
39 miles per hour.

1 ~~(3) ((a) The fee under this section is imposed to provide funds~~
2 ~~to mitigate the impact of vehicles on state roads and highways and~~
3 ~~for the purpose of evaluating the feasibility of transitioning from a~~
4 ~~revenue collection system based on fuel taxes to a road user~~
5 ~~assessment system, and is separate and distinct from other vehicle~~
6 ~~license fees. Proceeds from the fee must be used for highway~~
7 ~~purposes, and must be deposited in the motor vehicle fund created in~~
8 ~~RCW 46.68.070, subject to (b) of this subsection.~~

9 ~~(b))~~ If in any year the amount of proceeds from the fee
10 collected under this section exceeds one million dollars, the excess
11 amount over one million dollars must be deposited as follows:

12 ~~((i))~~ (a) Seventy percent to the motor vehicle fund created in
13 RCW 46.68.070;

14 ~~((ii))~~ (b) Fifteen percent to the transportation improvement
15 account created in RCW 47.26.084; and

16 ~~((iii))~~ (c) Fifteen percent to the rural arterial trust account
17 created in RCW 36.79.020.

18 ~~((4) (a) In addition to the fee established in subsection (1) of~~
19 ~~this section, before accepting an application for an annual vehicle~~
20 ~~registration renewal for a vehicle that both (i) uses at least one~~
21 ~~method of propulsion that is capable of being reenergized by an~~
22 ~~external source of electricity and (ii) is capable of traveling at~~
23 ~~least thirty miles using only battery power, the department, county~~
24 ~~auditor or other agent, or subagent appointed by the director must~~
25 ~~require the applicant to pay a fifty dollar fee.~~

26 ~~(b) The fee required under (a) of this subsection must be~~
27 ~~distributed as follows:~~

28 ~~(i) The first one million dollars raised by the fee must be~~
29 ~~deposited into the multimodal transportation account created in RCW~~
30 ~~47.66.070; and~~

31 ~~(ii) Any remaining amounts must be deposited into the motor~~
32 ~~vehicle fund created in RCW 46.68.070.~~

33 ~~(5) This section applies to annual vehicle registration renewals~~
34 ~~until the effective date of enacted legislation that imposes a~~
35 ~~vehicle miles traveled fee or tax.))~~

36 **REPEAL AND REMOVE AUTHORITY TO IMPOSE**
37 **CERTAIN VEHICLE TAXES AND CHARGES**

1 NEW SECTION. **Sec. 6.** The following acts or parts of acts are
2 each repealed:

3 (1) RCW 46.17.365 (Motor vehicle weight fee—Motor home vehicle
4 weight fee) and 2015 3rd sp.s. c 44 s 202 & 2010 c 161 s 533;

5 (2) RCW 46.68.415 (Motor vehicle weight fee, motor home vehicle
6 weight fee—Disposition) and 2010 c 161 s 813;

7 (3) RCW 82.80.130 (Passenger-only ferry service—Local option
8 motor vehicle excise tax authorized) and 2010 c 161 s 916, 2006 c 318
9 s 4, & 2003 c 83 s 206; and

10 (4) RCW 82.80.140 (Vehicle fee—Transportation benefit district—
11 Exemptions) and 2015 3rd sp.s. c 44 s 310, 2010 c 161 s 917, 2007 c
12 329 s 2, & 2005 c 336 s 16.

13 **Sec. 7.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to
14 read as follows:

15 (1) There is levied and collected a tax equal to six and five-
16 tenths percent of the selling price on each retail sale in this state
17 of:

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

20 (b) Digital goods, digital codes, and digital automated services,
21 if the sale is included within the RCW 82.04.050 definition of retail
22 sale;

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

25 (d) Extended warranties to consumers; and

26 (e) Anything else, the sale of which is included within the RCW
27 82.04.050 definition of retail sale.

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

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

1 (b) For purposes of this subsection (3), "motor vehicle" has the
2 meaning provided in RCW 46.04.320, but does not include:

3 (i) Farm tractors or farm vehicles as defined in RCW 46.04.180
4 and 46.04.181, unless the farm tractor or farm vehicle is for use in
5 the production of marijuana;

6 (ii) Off-road vehicles as defined in RCW 46.04.365;

7 (iii) Nonhighway vehicles as defined in RCW 46.09.310; and

8 (iv) Snowmobiles as defined in RCW 46.04.546.

9 ~~(4) ((For purposes of subsection (3) of this section, "motor~~
10 ~~vehicle" has the meaning provided in RCW 46.04.320, but does not~~
11 ~~include:~~

12 ~~(a) Farm tractors or farm vehicles as defined in RCW 46.04.180~~
13 ~~and 46.04.181, unless the farm tractor or farm vehicle is for use in~~
14 ~~the production of marijuana;~~

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

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

17 ~~(d) Snowmobiles as defined in RCW 46.04.546.)) (a) Beginning July~~

18 1, 2020, and each fiscal year thereafter, from the revenue collected
19 under subsection (1) of this section on each new and used retail sale
20 of a vehicle in this state, including private party sales, but
21 excluding retail car rentals taxed under subsection (2) of this
22 section, the state treasurer must transfer sufficient funds from the
23 state general fund to each of the accounts negatively impacted by
24 Initiative Measure No. 976 to compensate for the reduced revenue in
25 each fiscal year.

26 (b) The amount of the transfers in each fiscal year pursuant to
27 this subsection (4) shall be based on the revenue loss to each
28 respective account from Initiative Measure No. 976 as projected in
29 the quarterly transportation revenue forecast produced by the office
30 of financial management in the spring prior to the start of each
31 fiscal year.

32 (c) For purposes of this subsection (4), "vehicle" has the
33 meaning provided in RCW 46.04.670 including, but not limited to,
34 passenger vehicles, light trucks, commercial vehicles, travel
35 trailers, recreational vehicles, intermittent use trailers,
36 motorcycles, and campers, but "vehicle" does not include:

37 (i) Farm tractors or farm vehicles as defined in RCW 46.04.180
38 and 46.04.181, unless the farm tractor or farm vehicle is for use in
39 the production of marijuana;

40 (ii) Off-road vehicles as defined in RCW 46.04.365;

1 (iii) Nonhighway vehicles as defined in RCW 46.09.310;

2 (iv) Bicycles as defined in RCW 46.04.071; and

3 (v) Snowmobiles as defined in RCW 46.04.546.

4 (5) Beginning on December 8, 2005, 0.16 percent of the taxes
5 collected under subsection (1) of this section must be dedicated to
6 funding comprehensive performance audits required under RCW
7 43.09.470. The revenue identified in this subsection must be
8 deposited in the performance audits of government account created in
9 RCW 43.09.475.

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

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

14 **Sec. 8.** RCW 82.12.020 and 2017 c 323 s 520 are each amended to
15 read as follows:

16 (1) There is levied and collected from every person in this state
17 a tax or excise for the privilege of using within this state as a
18 consumer any:

19 (a) Article of tangible personal property acquired by the user in
20 any manner, including tangible personal property acquired at a casual
21 or isolated sale, and including by-products used by the manufacturer
22 thereof, except as otherwise provided in this chapter, irrespective
23 of whether the article or similar articles are manufactured or are
24 available for purchase within this state;

25 (b) Prewritten computer software, regardless of the method of
26 delivery, but excluding prewritten computer software that is either
27 provided free of charge or is provided for temporary use in viewing
28 information, or both;

29 (c) Services defined as a retail sale in RCW 82.04.050 (2) (a) or
30 (g) or (6)(c), excluding services defined as a retail sale in RCW
31 82.04.050(6)(c) that are provided free of charge;

32 (d) Extended warranty; or

33 (e)(i) Digital good, digital code, or digital automated service,
34 including the use of any services provided by a seller exclusively in
35 connection with digital goods, digital codes, or digital automated
36 services, whether or not a separate charge is made for such services.

37 (ii) With respect to the use of digital goods, digital automated
38 services, and digital codes acquired by purchase, the tax imposed in
39 this subsection (1)(e) applies in respect to:

1 (A) Sales in which the seller has granted the purchaser the right
2 of permanent use;

3 (B) Sales in which the seller has granted the purchaser a right
4 of use that is less than permanent;

5 (C) Sales in which the purchaser is not obligated to make
6 continued payment as a condition of the sale; and

7 (D) Sales in which the purchaser is obligated to make continued
8 payment as a condition of the sale.

9 (iii) With respect to digital goods, digital automated services,
10 and digital codes acquired other than by purchase, the tax imposed in
11 this subsection (1)(e) applies regardless of whether or not the
12 consumer has a right of permanent use or is obligated to make
13 continued payment as a condition of use.

14 (2) The provisions of this chapter do not apply in respect to the
15 use of any article of tangible personal property, extended warranty,
16 digital good, digital code, digital automated service, or service
17 taxable under RCW 82.04.050 (2) (a) or (g) or (6)(c), if the sale to,
18 or the use by, the present user or the present user's bailor or donor
19 has already been subjected to the tax under chapter 82.08 RCW or this
20 chapter and the tax has been paid by the present user or by the
21 present user's bailor or donor.

22 (3)(a) Except as provided in this section, payment of the tax
23 imposed by this chapter or chapter 82.08 RCW by one purchaser or user
24 of tangible personal property, extended warranty, digital good,
25 digital code, digital automated service, or other service does not
26 have the effect of exempting any other purchaser or user of the same
27 property, extended warranty, digital good, digital code, digital
28 automated service, or other service from the taxes imposed by such
29 chapters.

30 (b) The tax imposed by this chapter does not apply:

31 (i) If the sale to, or the use by, the present user or his or her
32 bailor or donor has already been subjected to the tax under chapter
33 82.08 RCW or this chapter and the tax has been paid by the present
34 user or by his or her bailor or donor;

35 (ii) In respect to the use of any article of tangible personal
36 property acquired by bailment and the tax has once been paid based on
37 reasonable rental as determined by RCW 82.12.060 measured by the
38 value of the article at time of first use multiplied by the tax rate
39 imposed by chapter 82.08 RCW or this chapter as of the time of first
40 use;

1 (iii) In respect to the use of any article of tangible personal
2 property acquired by bailment, if the property was acquired by a
3 previous bailee from the same bailor for use in the same general
4 activity and the original bailment was prior to June 9, 1961; or

5 (iv) To the use of digital goods or digital automated services,
6 which were obtained through the use of a digital code, if the sale of
7 the digital code to, or the use of the digital code by, the present
8 user or the present user's bailor or donor has already been subjected
9 to the tax under chapter 82.08 RCW or this chapter and the tax has
10 been paid by the present user or by the present user's bailor or
11 donor.

12 (4) (a) Except as provided in (b) of this subsection (4), the tax
13 is levied and must be collected in an amount equal to the value of
14 the article used, value of the digital good or digital code used,
15 value of the extended warranty used, or value of the service used by
16 the taxpayer, multiplied by the applicable rates in effect for the
17 retail sales tax under RCW 82.08.020.

18 (b) In the case of a seller required to collect use tax from the
19 purchaser, the tax must be collected in an amount equal to the
20 purchase price multiplied by the applicable rate in effect for the
21 retail sales tax under RCW 82.08.020.

22 (5) For purposes of the tax imposed in this section, "person"
23 includes anyone within the definition of "buyer," "purchaser," and
24 "consumer" in RCW 82.08.010.

25 (6) (a) Beginning July 1, 2020, and each fiscal year thereafter,
26 from the use tax revenue collected under subsection (1) of this
27 section on each new and used retail sale of a vehicle in this state,
28 including private party sales, but excluding retail car rentals taxed
29 under RCW 82.08.020, the state treasurer must transfer sufficient
30 funds from the state general fund to each of the accounts negatively
31 impacted by Initiative Measure No. 976 to compensate for the reduced
32 revenue in each year.

33 (b) The amount of the transfers in each fiscal year pursuant to
34 this subsection (6) shall be based on the revenue loss to each
35 respective account from Initiative Measure No. 976 as projected in
36 the quarterly transportation revenue forecast produced by the office
37 of financial management in the spring prior to the start of each
38 fiscal year.

1 NEW SECTION. **Sec. 9.** A new section is added to chapter 82.44
2 RCW to read as follows:

3 BASE VEHICLE TAXES USING KELLEY BLUE BOOK VALUE. (1) Any motor
4 vehicle excise tax must be calculated in an honest and accurate way
5 so the burden on vehicle owners is not artificially inflated. For the
6 purpose of determining a vehicle tax, a taxing district imposing a
7 vehicle tax must set a vehicle's taxable value at the vehicle's base
8 model Kelley Blue Book value. This ensures an honest and accurate
9 calculation of the tax and, combined with the appeal process in RCW
10 82.44.065, ensures that vehicle owners are taxed on their vehicle's
11 market value.

12 (2) For the purpose of determining a tax under this chapter, the
13 value of a truck-type power or trailing unit, or motor vehicle,
14 including a passenger vehicle, motorcycle, motor home, sport utility
15 vehicle, or light duty truck is the base model Kelley Blue Book value
16 of the vehicle, excluding applicable federal excise taxes, state and
17 local sales or use taxes, transportation or shipping costs, or
18 preparatory or delivery costs.

19 **Sec. 10.** RCW 82.44.065 and 2010 c 161 s 912 are each amended to
20 read as follows:

21 If the department determines a value for a vehicle (~~equivalent~~
22 ~~to a manufacturer's base suggested retail price or the value of a~~
23 ~~truck or trailer under RCW 82.44.035)) under section 9 of this act,
24 any person who pays a state or locally imposed tax for that vehicle
25 may appeal the valuation to the department under chapter 34.05 RCW.
26 If the taxpayer is successful on appeal, the department shall refund
27 the excess tax in the manner provided in RCW 82.44.120. Using Kelley
28 Blue Book value ensures an honest and accurate calculation.~~

29 **Sec. 11.** RCW 81.104.140 and 2015 3rd sp.s. c 44 s 318 are each
30 amended to read as follows:

31 (1) Agencies authorized to provide high capacity transportation
32 service, including transit agencies and regional transit authorities,
33 and regional transportation investment districts acting with the
34 agreement of an agency, are hereby granted dedicated funding sources
35 for such systems. These dedicated funding sources, as set forth in
36 RCW 81.104.150, 81.104.160, 81.104.170, and 81.104.175, are
37 authorized only for agencies located in (a) each county with a
38 population of two hundred ten thousand or more and (b) each county

1 with a population of from one hundred twenty-five thousand to less
2 than two hundred ten thousand except for those counties that do not
3 border a county with a population as described under (a) of this
4 subsection. In any county with a population of one million or more or
5 in any county having a population of four hundred thousand or more
6 bordering a county with a population of one million or more, these
7 funding sources may be imposed only by a regional transit authority
8 or a regional transportation investment district. Regional
9 transportation investment districts may, with the approval of the
10 regional transit authority within its boundaries, impose the taxes
11 authorized under this chapter, but only upon approval of the voters
12 and to the extent that the maximum amount of taxes authorized under
13 this chapter have not been imposed.

14 (2) Agencies planning to construct and operate a high capacity
15 transportation system should also seek other funds, including
16 federal, state, local, and private sector assistance.

17 (3) Funding sources should satisfy each of the following criteria
18 to the greatest extent possible:

- 19 (a) Acceptability;
- 20 (b) Ease of administration;
- 21 (c) Equity;
- 22 (d) Implementation feasibility;
- 23 (e) Revenue reliability; and
- 24 (f) Revenue yield.

25 (4)(a) Agencies participating in regional high capacity
26 transportation system development are authorized to levy and collect
27 the following voter-approved local option funding sources:

28 (i) Employer tax as provided in RCW 81.104.150, other than by
29 regional transportation investment districts;

30 (ii) ~~((Special motor vehicle excise tax as provided in RCW
31 81.104.160;~~

32 ~~(iii))~~ Regular property tax as provided in RCW 81.104.175; and

33 ~~((iv))~~ (iii) Sales and use tax as provided in RCW 81.104.170.

34 (b) Revenues from these taxes may be used only to support those
35 purposes prescribed in subsection (10) of this section. Before the
36 date of an election authorizing an agency to impose any of the taxes
37 enumerated in this section and authorized in RCW 81.104.150,
38 81.104.160, 81.104.170, and 81.104.175, the agency must comply with
39 the process prescribed in RCW 81.104.100 (1) and (2) and 81.104.110.

1 No construction on exclusive right-of-way may occur before the
2 requirements of RCW 81.104.100(3) are met.

3 (5) Except for the regular property tax authorized in RCW
4 81.104.175, the authorization in subsection (4) of this section may
5 not adversely affect the funding authority of transit agencies not
6 provided for in this chapter. Local option funds may be used to
7 support implementation of interlocal agreements with respect to the
8 establishment of regional high capacity transportation service.
9 Except when a regional transit authority exists, local jurisdictions
10 must retain control over moneys generated within their boundaries,
11 although funds may be commingled with those generated in other areas
12 for planning, construction, and operation of high capacity
13 transportation systems as set forth in the agreements.

14 (6) Except for the regular property tax authorized in RCW
15 81.104.175, agencies planning to construct and operate high capacity
16 transportation systems may contract with the state for collection and
17 transference of voter-approved local option revenue.

18 (7) Dedicated high capacity transportation funding sources
19 authorized in RCW 81.104.150, 81.104.160, 81.104.170, and 81.104.175
20 are subject to voter approval by a simple majority. A single ballot
21 proposition may seek approval for one or more of the authorized
22 taxing sources. The ballot title must reference the document
23 identified in subsection (8) of this section.

24 (8) Agencies must provide to the registered voters in the area a
25 document describing the systems plan and the financing plan set forth
26 in RCW 81.104.100. It must also describe the relationship of the
27 system to regional issues such as development density at station
28 locations and activity centers, and the interrelationship of the
29 system to adopted land use and transportation demand management goals
30 within the region. This document must be provided to the voters at
31 least twenty days prior to the date of the election.

32 (9) For any election in which voter approval is sought for a high
33 capacity transportation system plan and financing plan pursuant to
34 RCW 81.104.040, a local voter's pamphlet must be produced as provided
35 in chapter 29A.32 RCW.

36 (10)(a) Agencies providing high capacity transportation service
37 must retain responsibility for revenue encumbrance, disbursement, and
38 bonding. Funds may be used for any purpose relating to planning,
39 construction, and operation of high capacity transportation systems

1 and commuter rail systems, personal rapid transit, busways, bus sets,
2 and entrained and linked buses.

3 (b) A regional transit authority that (~~imposes a motor vehicle~~
4 ~~excise tax after July 15, 2015,~~) imposes a property tax(~~(7)~~) or
5 increases a sales and use tax to more than nine-tenths of one percent
6 must undertake a process in which the authority's board formally
7 considers inclusion of the name, Scott White, in the naming
8 convention associated with either the University of Washington or
9 Roosevelt stations.

10 NEW SECTION. **Sec. 12.** The following acts or parts of acts are
11 each repealed:

12 (1) RCW 82.44.035 (Valuation of vehicles) and 2010 c 161 s 910 &
13 2006 c 318 s 1; and

14 (2) RCW 81.104.160 (Motor vehicle excise tax for regional transit
15 authorities—Sales and use tax on car rentals—Former motor vehicle
16 excise tax repealed) and 2015 3rd sp.s. c 44 s 319, 2010 c 161 s 903,
17 2009 c 280 s 4, 2003 c 1 s 6, & 1998 c 321 s 35.

18 NEW SECTION. **Sec. 13.** A new section is added to chapter 81.112
19 RCW to read as follows:

20 In order to effectuate the policies, purposes, and intent of this
21 act and to ensure that the motor vehicle excise taxes repealed by
22 this act are no longer imposed or collected, an authority that
23 imposes a motor vehicle excise tax under RCW 81.104.160 must fully
24 retire, defease, or refinance any outstanding bonds issued under this
25 chapter if:

26 (1) Any revenue collected prior to the effective date of this
27 section from the motor vehicle excise tax imposed under RCW
28 81.104.160 has been pledged to such bonds; and

29 (2) The bonds, by virtue of the terms of the bond contract,
30 covenants, or similar terms, may be retired or defeased early or
31 refinanced.

32 **Sec. 14.** RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each
33 amended to read as follows:

34 (1) Regional transit authorities that include a county with a
35 population of more than one million five hundred thousand may submit
36 an authorizing proposition to the voters, and if approved, may levy
37 and collect an excise tax, at a rate approved by the voters, but not

1 exceeding (~~eight-tenths~~) two-tenths of one percent on the value,
2 under chapter 82.44 RCW, of every motor vehicle owned by a resident
3 of the taxing district, solely for the purpose of providing high
4 capacity transportation service. The maximum tax rate under this
5 subsection does not include a motor vehicle excise tax approved
6 before July 15, 2015, if the tax will terminate on the date bond debt
7 to which the tax is pledged is repaid. This tax does not apply to
8 vehicles licensed under RCW 46.16A.455 except vehicles with an
9 unladen weight of six thousand pounds or less, RCW 46.16A.425 or
10 46.17.335(2). Notwithstanding any other provision of this subsection
11 or chapter 82.44 RCW, a motor vehicle excise tax imposed by a
12 regional transit authority before or after July 15, 2015, must comply
13 with chapter 82.44 RCW as it existed on January 1, 1996, until
14 December 31st of the year in which the regional transit authority
15 repays bond debt to which a motor vehicle excise tax was pledged
16 before July 15, 2015. Motor vehicle taxes collected by regional
17 transit authorities after December 31st of the year in which a
18 regional transit authority repays bond debt to which a motor vehicle
19 excise tax was pledged before July 15, 2015, must comply with chapter
20 82.44 RCW as it existed on the date the tax was approved by voters.

21 (2) An agency and high capacity transportation corridor area may
22 impose a sales and use tax solely for the purpose of providing high
23 capacity transportation service, in addition to the tax authorized by
24 RCW 82.14.030, upon retail car rentals within the applicable
25 jurisdiction that are taxable by the state under chapters 82.08 and
26 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of
27 tax imposed under this subsection must bear the same ratio of the
28 2.172 percent authorized that the rate imposed under subsection (1)
29 of this section bears to the rate authorized under subsection (1) of
30 this section. The base of the tax is the selling price in the case of
31 a sales tax or the rental value of the vehicle used in the case of a
32 use tax.

33 (3) Any motor vehicle excise tax previously imposed under the
34 provisions of (~~RCW 81.104.160(1)~~) subsection (1) of this section
35 shall be repealed, terminated, and expire on December 5, 2002, except
36 for a motor vehicle excise tax for which revenues have been
37 contractually pledged to repay a bonded debt issued before December
38 5, 2002, as determined by *Pierce County et al. v. State*, 159 Wn.2d
39 16, 148 P.3d 1002 (2006). In the case of bonds that were previously

1 issued, the motor vehicle excise tax must comply with chapter 82.44
2 RCW as it existed on January 1, 1996.

3 (4) If a regional transit authority imposes the tax authorized
4 under subsection (1) of this section, the authority may not receive
5 any state grant funds provided in an omnibus transportation
6 appropriations act except transit coordination grants created in
7 chapter 11, Laws of 2015 3rd sp. sess.

8 NEW SECTION. **Sec. 15.** CONSTRUCTION CLAUSE. The provisions of
9 this act are to be liberally construed to effectuate the intent,
10 policies, and purposes of this act.

11 NEW SECTION. **Sec. 16.** SEVERABILITY CLAUSE. If any provision of
12 this act or its application to any person or circumstance is held
13 invalid, the remainder of the act or the application of the provision
14 to other persons or circumstances is not affected.

15 NEW SECTION. **Sec. 17.** EFFECTIVE DATE. (1) Sections 11 and 12 of
16 this act take effect on the date that the regional transit authority
17 complies with section 13 of this act and retires, defeases, or
18 refinances its outstanding bonds.

19 (2) Section 14 of this act is necessary for the immediate
20 preservation of the public peace, health, or safety, or support of
21 the state government and its existing public institutions, and takes
22 effect April 1, 2020, if sections 11 and 12 of this act have not
23 taken effect by March 31, 2020.

24 (3) The regional transit authority must provide written notice of
25 the effective dates of sections 11, 12, and 14 of this act to
26 affected parties, the chief clerk of the house of representatives,
27 the secretary of the senate, the office of the code reviser, and
28 others as deemed appropriate by the regional transit authority.

29 NEW SECTION. **Sec. 18.** SHORT TITLE. This act may be known and
30 cited as the bring back our \$30 car tabs act.

31 NEW SECTION. **Sec. 19.** Except for sections 7, 8, 11, 12 and 14
32 of this act, this act is necessary for the immediate preservation of
33 the public peace, health, or safety, or support of the state
34 government and its existing public institutions, and takes effect
35 immediately.

1 NEW SECTION. **Sec. 20.** Sections 7 and 8 of this act take effect
2 July 1, 2020.

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