

# FINAL BILL REPORT

## HB 1225

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Synopsis as Enacted

**Brief Description:** Regulating vehicle and fuel licensing.

**Sponsors:** Representatives K. Schmidt, R. Fisher, Johnson and Scott; by request of Department of Licensing.

**House Committee on Transportation**  
**Senate Committee on Transportation**

**Background:**

(1) Applications made to the Department of Licensing for a certificate of ownership must be made on a proscribed form furnished by the department. With the advancement of computer technology, electronic application is now possible, but not authorized under state law.

(2) In 1993, changes were made to various motor vehicle taxation statutes that exempted certain ride-sharing vehicles. An exemption was given to commuter ride-sharing vehicles carrying not less than four persons, including the driver when at least two of those persons are confined to wheelchairs when riding. This exemption was inadvertently omitted from RCW 82.08.0287 (retail sales tax).

(3) The state administers a motor vehicle fuel importer tax. This tax is applied to any motor carrier importing motor vehicle fuel into this state in fuel supply tanks of any commercial motor vehicle for use in propelling that commercial vehicle.

An alternative and simpler method of reporting and paying the motor vehicle fuel tax is provided by the multistate motor vehicle fuel tax agreement. The latter tax reporting method is used by most of the industry, with only three companies known to be reporting and paying fuel taxes under the antiquated motor vehicle fuel importer tax statute.

**Summary:**

(1) Applications for certificates of ownership of motor vehicles may be made on any form approved by the Department of Licensing. This allows financial institutions to electronically file application for certificates.

(2) The exemption created for ride-sharing vehicles carrying four or more passengers, including the driver when at least two of those persons are confined to wheelchairs, is extended to the retail sales tax, harmonizing the law with other statutory ride-share tax exemptions.

(3) The motor vehicle fuel importer tax is repealed in lieu of taxes collected under the multistate motor fuel tax agreement.

**Votes on Final Passage:**

House	97	0	
Senate	48	0	(Senate amended)
House			(Amendment ruled out of scope)
Senate	47	0	(Senate receded)

**Effective:** July 23, 1995