
SENATE BILL 5683

State of Washington

62nd Legislature

2011 Regular Session

By Senator Morton

Read first time 02/07/11. Referred to Committee on Government Operations, Tribal Relations & Elections.

1 AN ACT Relating to authorizing a city utility infrastructure sales
2 and use tax; adding a new section to chapter 82.14 RCW; and providing
3 an expiration date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.14 RCW
6 to read as follows:

7 (1) The legislative authority of a city that has a population of
8 less than seven thousand five hundred inhabitants and that operates
9 either a municipal water or sewer system, or both, prior to January 1,
10 2011, may impose a sales and use tax as provided in this chapter. The
11 tax imposed under this section is in addition to any other taxes
12 authorized by law and must be collected from those persons who are
13 taxable by the state under chapters 82.08 and 82.12 RCW upon the
14 occurrence of any taxable event within the local jurisdiction. The
15 sales and use tax may be imposed by resolution or ordinance following
16 a public hearing before the city's governing body. The rate of tax may
17 not exceed 0.1 percent of the selling price, in case of a sales tax, or
18 the value of the article used in case of a use tax.

1 (2) The tax imposed under subsection (1) of this section must be
2 deducted from the amount of tax otherwise required to be collected or
3 paid to the department under chapter 82.08 or 82.12 RCW. The
4 department must perform the collection of tax on behalf of the city at
5 no expense to the city.

6 (3) The amounts received under this section may only be used to
7 construct or rehabilitate improvements that are directly related to the
8 water or sewer system operated by the city.

9 (4) This section expires January 1, 2031.

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