Initiative Measure No. 754 filed August 26, 2015

Bring Back Our $30 Car Tabs

AN ACT Relating to limiting state and local taxes, fees, and other charges relating to vehicles; amending RCW 46.17.350, 46.17.355, 46.17.323, 46.17.005, 46.17.375, 36.120.050, 82.08.020, 82.44.065, 81.104.140, and 81.104.160; reenacting and amending RCW 81.100.060; adding a new section to chapter 46.17 RCW; adding a new section to chapter 82.44 RCW; adding a new section to chapter 81.112 RCW; creating new sections; and repealing RCW 46.17.015, 46.17.025, 46.17.365, 46.68.415, 82.44.035, 82.80.100, 82.80.130, and 82.80.140.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

POLICIES AND PURPOSES

NEW SECTION. **Sec. 1.** Voters have repeatedly approved $30 tabs, yet politicians keep ignoring the voters' repeated, unambiguous mandate by imposing higher and higher vehicle taxes and fees, by calculating vehicle taxes and fees dishonestly and inaccurately to extract artificially high amounts of revenue from taxpayers, and by ignoring the provisions of voter-approved initiatives. It's not fair and it must stop. Without this follow-up measure, "tab creep" will continue until vehicle charges are once again obscenely expensive, as they were prior to Initiative 695. This measure and each of its provisions limit state and local taxes, fees, and other charges relating to motor vehicles. This measure would cap state and local motor vehicle license fees at $30 per year, repeal certain motor vehicle taxes and fees, calculate vehicle taxes based on purchase

price, not the dishonest, inaccurate, and artificially inflated manufacturer's suggested retail price (MRSP), and prohibit the imposition and collection of voter-repealed vehicle taxes. Politicians promised "$30 license tabs are here to stay." Politicians should keep their promises. Voters have repeatedly approved $30 tabs. Politicians must learn to listen to the people.

LIMITING CERTAIN CHARGES RELATING TO VEHICLES BY CAPPING STATE AND LOCAL MOTOR VEHICLE FEES AT $30 PER YEAR

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

(1) State and local motor vehicle license fees may not exceed $30 per year for motor vehicles, regardless of year, value, make, or model. No vehicle owner is legally obligated to pay more than $30 per year for the sum of state and local taxes and fees that make up the combined motor vehicle license fee paid at the time of licensing or renewal.

(2) In any jurisdiction, state or local, which imposes vehicle charges other than the vehicle registration fee in subsection (1) of this section, the state portion of the motor vehicle registration fee in RCW 46.17.350 and 46.17.355 must be reduced by the amount of any such charge in order to provide that the motor vehicle registration fee not exceed the limits under subsection (1) of this section.

(3) For the purposes of this section, "state and local motor vehicle license fees" means the general license tab fees paid annually for licensing motor vehicles, including but not limited to cars, sport utility vehicles, light trucks under RCW 46.17.355, motorcycles, and motor homes, and do not include voter-approved charges. This annual fee must be paid and collected annually and is due at the time of initial and renewal vehicle registration.

Sec. 3. RCW 46.17.350 and 2014 c 30 s 2 are each amended to read as follows:

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

VEHICLE TYPE	INITIAL FEE	RENEWAL FEE	DISTRIBUTED UNDER
(a) Auto stage, six seats or less	$ 30.00	$ 30.00	RCW 46.68.030
(b) Camper	$ 4.90	$ 3.50	RCW 46.68.030
(c) Commercial trailer	$ ((~~34.00~~)) 30.00	$ 30.00	RCW 46.68.035
(d) For hire vehicle, six seats or less	$ 30.00	$ 30.00	RCW 46.68.030
(e) Mobile home (if registered)	$ 30.00	$ 30.00	RCW 46.68.030
(f) Moped	$ 30.00	$ 30.00	RCW 46.68.030
(g) Motor home	$ 30.00	$ 30.00	RCW 46.68.030
(h) Motorcycle	$ 30.00	$ 30.00	RCW 46.68.030
(i) Off-road vehicle	$ 18.00	$ 18.00	RCW 46.68.045
(j) Passenger car	$ 30.00	$ 30.00	RCW 46.68.030
(k) Private use single-axle trailer	$ 15.00	$ 15.00	RCW 46.68.035
(l) Snowmobile	$ ((~~50.00~~)) 30.00	$ ((~~50.00~~)) 30.00	RCW 46.68.350
(m) Snowmobile, vintage	$ 12.00	$ 12.00	RCW 46.68.350
(n) Sport utility vehicle	$ 30.00	$ 30.00	RCW 46.68.030
(o) Tow truck	$ 30.00	$ 30.00	RCW 46.68.030
(p) Trailer, over 2000 pounds	$ 30.00	$ 30.00	RCW 46.68.030
(q) Travel trailer	$ 30.00	$ 30.00	RCW 46.68.030

(r) Wheeled all-terrain vehicle, on-road use	$ 12.00	$ 12.00	RCW 46.09.540
(s) Wheeled all-terrain vehicle, off-road use	$ 18.00	$ 18.00	RCW 46.09.510

(2) The vehicle license fee required in subsection (1) of this section ((~~is in addition to the filing fee required under RCW 46.17.005, and any other fee or tax required by law~~)) may not exceed $30.

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

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

WEIGHT	SCHEDULE A	SCHEDULE B
4,000 pounds	$ 38.00	$ 38.00
6,000 pounds	$ 48.00	$ 48.00
8,000 pounds	$ 58.00	$ 58.00
10,000 pounds	$ 60.00	$ 60.00
12,000 pounds	$ 77.00	$ 77.00
14,000 pounds	$ 88.00	$ 88.00
16,000 pounds	$ 100.00	$ 100.00
18,000 pounds	$ 152.00	$ 152.00
20,000 pounds	$ 169.00	$ 169.00
22,000 pounds	$ 183.00	$ 183.00
24,000 pounds	$ 198.00	$ 198.00
26,000 pounds	$ 209.00	$ 209.00
28,000 pounds	$ 247.00	$ 247.00
30,000 pounds	$ 285.00	$ 285.00

32,000 pounds	$ 344.00	$ 344.00
34,000 pounds	$ 366.00	$ 366.00
36,000 pounds	$ 397.00	$ 397.00
38,000 pounds	$ 436.00	$ 436.00
40,000 pounds	$ 499.00	$ 499.00
42,000 pounds	$ 519.00	$ 609.00
44,000 pounds	$ 530.00	$ 620.00
46,000 pounds	$ 570.00	$ 660.00
48,000 pounds	$ 594.00	$ 684.00
50,000 pounds	$ 645.00	$ 735.00
52,000 pounds	$ 678.00	$ 768.00
54,000 pounds	$ 732.00	$ 822.00
56,000 pounds	$ 773.00	$ 863.00
58,000 pounds	$ 804.00	$ 894.00
60,000 pounds	$ 857.00	$ 947.00
62,000 pounds	$ 919.00	$ 1,009.00
64,000 pounds	$ 939.00	$ 1,029.00
66,000 pounds	$ 1,046.00	$ 1,136.00
68,000 pounds	$ 1,091.00	$ 1,181.00
70,000 pounds	$ 1,175.00	$ 1,265.00
72,000 pounds	$ 1,257.00	$ 1,347.00
74,000 pounds	$ 1,366.00	$ 1,456.00
76,000 pounds	$ 1,476.00	$ 1,566.00
78,000 pounds	$ 1,612.00	$ 1,702.00
80,000 pounds	$ 1,740.00	$ 1,830.00
82,000 pounds	$ 1,861.00	$ 1,951.00
84,000 pounds	$ 1,981.00	$ 2,071.00
86,000 pounds	$ 2,102.00	$ 2,192.00
88,000 pounds	$ 2,223.00	$ 2,313.00
90,000 pounds	$ 2,344.00	$ 2,434.00
92,000 pounds	$ 2,464.00	$ 2,554.00
94,000 pounds	$ 2,585.00	$ 2,675.00
96,000 pounds	$ 2,706.00	$ 2,796.00
98,000 pounds	$ 2,827.00	$ 2,917.00
100,000 pounds	$ 2,947.00	$ 3,037.00

102,000 pounds	$ 3,068.00	$ 3,158.00
104,000 pounds	$ 3,189.00	$ 3,279.00
105,500 pounds	$ 3,310.00	$ 3,400.00

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

WEIGHT	SCHEDULE A	SCHEDULE B
4,000 pounds	$ ((~~53.00~~)) 30.00	$ ((~~53.00~~)) 30.00
6,000 pounds	$ ((~~73.00~~)) 30.00	$ ((~~73.00~~)) 30.00
8,000 pounds	$ ((~~93.00~~)) 30.00	$ ((~~93.00~~)) 30.00
10,000 pounds	$ ((~~93.00~~)) 30.00	$ ((~~93.00~~)) 30.00
12,000 pounds	$ 81.00	$ 81.00
14,000 pounds	$ 88.00	$ 88.00
16,000 pounds	$ 100.00	$ 100.00
18,000 pounds	$ 152.00	$ 152.00
20,000 pounds	$ 169.00	$ 169.00
22,000 pounds	$ 183.00	$ 183.00
24,000 pounds	$ 198.00	$ 198.00
26,000 pounds	$ 209.00	$ 209.00
28,000 pounds	$ 247.00	$ 247.00
30,000 pounds	$ 285.00	$ 285.00
32,000 pounds	$ 344.00	$ 344.00
34,000 pounds	$ 366.00	$ 366.00
36,000 pounds	$ 397.00	$ 397.00
38,000 pounds	$ 436.00	$ 436.00
40,000 pounds	$ 499.00	$ 499.00
42,000 pounds	$ 519.00	$ 609.00
44,000 pounds	$ 530.00	$ 620.00
46,000 pounds	$ 570.00	$ 660.00
48,000 pounds	$ 594.00	$ 684.00
50,000 pounds	$ 645.00	$ 735.00

52,000 pounds	$ 678.00	$ 768.00
54,000 pounds	$ 732.00	$ 822.00
56,000 pounds	$ 773.00	$ 863.00
58,000 pounds	$ 804.00	$ 894.00
60,000 pounds	$ 857.00	$ 947.00
62,000 pounds	$ 919.00	$ 1,009.00
64,000 pounds	$ 939.00	$ 1,029.00
66,000 pounds	$ 1,046.00	$ 1,136.00
68,000 pounds	$ 1,091.00	$ 1,181.00
70,000 pounds	$ 1,175.00	$ 1,265.00
72,000 pounds	$ 1,257.00	$ 1,347.00
74,000 pounds	$ 1,366.00	$ 1,456.00
76,000 pounds	$ 1,476.00	$ 1,566.00
78,000 pounds	$ 1,612.00	$ 1,702.00
80,000 pounds	$ 1,740.00	$ 1,830.00
82,000 pounds	$ 1,861.00	$ 1,951.00
84,000 pounds	$ 1,981.00	$ 2,071.00
86,000 pounds	$ 2,102.00	$ 2,192.00
88,000 pounds	$ 2,223.00	$ 2,313.00
90,000 pounds	$ 2,344.00	$ 2,434.00
92,000 pounds	$ 2,464.00	$ 2,554.00
94,000 pounds	$ 2,585.00	$ 2,675.00
96,000 pounds	$ 2,706.00	$ 2,796.00
98,000 pounds	$ 2,827.00	$ 2,917.00
100,000 pounds	$ 2,947.00	$ 3,037.00
102,000 pounds	$ 3,068.00	$ 3,158.00
104,000 pounds	$ 3,189.00	$ 3,279.00
105,500 pounds	$ 3,310.00	$ 3,400.00

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

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

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

(5) The license fees provided in subsection (1) of this section for light trucks weighing 10,000 pounds or less may not exceed $30.

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

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

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

LIMITING CERTAIN CHARGES RELATING TO VEHICLES BY REPEALING CERTAIN VEHICLE TAXES, FEES, AND OTHER CHARGES

NEW SECTION. **Sec. 5.** The following acts or parts of acts are each repealed:

(1) RCW 46.17.015 (License plate technology fee) and 2010 c 161 s 502;

(2) RCW 46.17.025 (License service fee) and 2010 c 161 s 503;

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

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

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

(6) RCW 82.80.100 (Regional transportation investment district——Local option vehicle license fee) and 2011 c 171 s 125 & 2002 c 56 s 408;

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

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

Sec. 6. RCW 46.17.323 and 2015 3rd sp.s. c 44 s 203 are each amended to read as follows:

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

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

(3)((~~(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from~~

~~a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.~~

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

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

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

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

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

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

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

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

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

Sec. 7. RCW 46.17.005 and 2010 c 161 s 501 are each amended to read as follows:

(1) ((~~A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a three dollar filing fee in addition to any other fees and taxes required by law.~~

~~(2)~~)) A person who applies for a certificate of title shall pay a four dollar filing fee in addition to any other fees and taxes required by law.

((~~(3)~~)) (2) The filing fees established in this section must be distributed under RCW 46.68.400.

Sec. 8. RCW 46.17.375 and 2010 c 161 s 534 are each amended to read as follows:

(1) Before accepting an application for registration for a recreational vehicle, the department, county auditor or other agent, or subagent appointed by the director shall require an applicant to pay a three dollar fee ((~~in addition to any other fees and taxes required by law~~)) subject to the requirements of section 2 of this act. The recreational vehicle sanitary disposal fee must be deposited in the RV account created in RCW 46.68.170.

(2) For the purposes of this section, "recreational vehicle" means a camper, motor home, or travel trailer.

Sec. 9. RCW 81.100.060 and 2006 c 318 s 2 and 2006 c 311 s 15 are each reenacted and amended to read as follows:

(1) A county with a population of one million or more and a county with a population of from two hundred ten thousand to less than one million that is adjoining a county with a population of one million or more, having within their boundaries existing or planned high occupancy vehicle lanes on the state highway system, or a regional transportation investment district, but only to the extent that the surcharge has not already been imposed by the county, may, with voter approval, impose a local surcharge of not more than ((~~three-tenths of one percent in the case of a county, or eight-tenths of one percent in the case of a regional transportation investment district, of the value on vehicles registered to a person~~

~~residing within the county or investment district and not more than~~)) 13.64 percent on the state sales and use taxes paid under the rate in RCW 82.08.020(2) on retail car rentals within the county or investment district. A county may impose the surcharge only to the extent that it has not been imposed by the district. ((~~No surcharge may be imposed on vehicles licensed under RCW 46.16.070 except vehicles with an unladen weight of six thousand pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.~~))

(2) Counties or investment districts imposing a surcharge under this section shall contract, before the effective date of the resolution or ordinance imposing a surcharge, administration and collection to the state department of licensing, and department of revenue, as appropriate, which shall deduct a percentage amount, as provided by contract, not to exceed two percent of the taxes, for administration and collection expenses incurred by the department. ((~~All administrative provisions in chapters 82.03, 82.32, and 82.44 RCW shall, insofar as they are applicable to motor vehicle excise taxes, be applicable to surcharges imposed under this section.~~)) All administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32 RCW shall, insofar as they are applicable to state sales and use taxes, be applicable to surcharges imposed under this section. A surcharge imposed under this section, or a change to the surcharge, shall take effect no sooner than seventy-five days after the department of licensing or the department of revenue receives notice of the surcharge or change to the surcharge, and shall take effect only on the first day of January, April, July, or October. Unless waived by the department of licensing or the department of revenue, notice includes providing the appropriate department with digital mapping and legal descriptions of areas in which the tax will be collected.

(3) If the tax authorized in RCW 81.100.030 is also imposed, the total proceeds from tax sources imposed under this section and RCW 81.100.030 each year shall not exceed the maximum amount which could be collected under this section.

Sec. 10. RCW 36.120.050 and 2008 c 122 s 16 are each amended to read as follows:

(1) A regional transportation investment district planning committee may, as part of a regional transportation investment plan, recommend the imposition or authorization of some or all of the following revenue sources, which a regional transportation investment district may impose or authorize upon approval of the voters as provided in this chapter:

(a) A regional sales and use tax, as specified in RCW 82.14.430, of up to 0.1 percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, upon the occurrence of any taxable event in the regional transportation investment district;

(b) ((~~A local option vehicle license fee, as specified under RCW 82.80.100, of up to one hundred dollars per vehicle registered in the district. As used in this subsection, "vehicle" means motor vehicle as defined in RCW 46.04.320. Certain classes of vehicles, as defined under chapter 46.04 RCW, may be exempted from this fee;~~

~~(c)~~)) A parking tax under RCW 82.80.030;

((~~(d) A local motor vehicle excise tax under RCW 81.100.060;~~

~~(e)~~)) (c) A local option fuel tax under RCW 82.80.120;

((~~(f)~~)) (d) An employer excise tax under RCW 81.100.030; and

((~~(g)~~)) (e) Vehicle tolls on new or reconstructed local or regional arterials or state routes within the boundaries of the district, if the following conditions are met:

(i) Consistent with RCW 47.56.820, the vehicle toll must first be authorized by the legislature if the toll is imposed on a state route;

(ii) Consistent with RCW 47.56.850, the vehicle toll, including any change in an existing toll rate, must first be reviewed and approved by the tolling authority designated in RCW 47.56.850 if the toll, or change in toll rate, would have a significant impact, as determined by the tolling authority, on the operation of any state facility;

(iii) The regional transportation investment plan must identify

the facilities that may be tolled; and

(iv) Unless otherwise specified by law, the department shall administer the collection of vehicle tolls on designated facilities, and the state transportation commission, or its successor, shall be the tolling authority, and shall act in accordance with RCW 47.56.850.

(2) Taxes, fees, and tolls may not be imposed or authorized without an affirmative vote of the majority of the voters within the boundaries of the district voting on a ballot proposition as set forth in RCW 36.120.070. Revenues from these taxes and fees may be used only to implement the plan as set forth in this chapter. A district may contract with the state department of revenue or other appropriate entities for administration and collection of any of the taxes or fees authorized in this section.

(3) Existing statewide motor vehicle fuel and special fuel taxes, at the distribution rates in effect on January 1, 2001, are not intended to be altered by this chapter.

Sec. 11. RCW 82.08.020 and 2014 c 140 s 12 are each amended to read as follows:

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

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

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

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

(d) Extended warranties to consumers; and

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

(2) There is levied and collected an additional tax on each retail car rental, regardless of whether the vehicle is licensed in

this state, equal to five and nine-tenths percent of the selling price. The revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

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

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

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

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

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

~~(d) Snowmobiles as defined in RCW 46.04.546.~~

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

((~~(6)~~)) (4) The taxes imposed under this chapter apply to successive retail sales of the same property.

((~~(7)~~)) (5) The rates provided in this section apply to taxes imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

LIMITING CERTAIN CHARGES RELATING TO VEHICLES BY USING THE VEHICLE'S MARKET VALUE, NOT THE DISHONEST, INACCURATE, AND ARTIFICIALLY INFLATED MANUFACTURER'S SUGGESTED RETAIL PRICE (MSRP), TO CALCULATE VEHICLE TAXES

NEW SECTION. **Sec. 12.** A new section is added to chapter 82.44 RCW to read as follows:

(1) A motor vehicle excise tax must be calculated in an honest and accurate way so the burden on vehicle owners is not artificially inflated. For the purpose of determining any motor vehicle excise tax otherwise authorized by law, any taxing district imposing a motor vehicle excise tax must set a vehicle's taxable value by using the depreciation schedule set forth in this section. The taxable value equals the product of a percentage based on a vehicle's year of service, as provided in subsection (2) of this section, and the market value of the vehicle. This ensures an honest and accurate calculation of the tax and, combined with the appeal process in RCW 82.44.065, ensures that vehicle owners are taxed on the market value of their vehicle.

(2) For the purpose of determining the tax under this chapter, the value of a truck-type power or trailing unit, or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light duty truck is the market value 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 its most recent sale. The year in which a purchase occurs must be considered a first year of service.

Year of Service	Percentage
1	100%
2	75%
3	60%
4	50%
5	40%
6	30%
7	20%
8	10%
9 and over	5%

(3) The reissuance of title and registration for a truck-type power or trailing unit or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light duty truck because of the installation of body or special equipment shall be treated as a sale, and the latest purchase price of the truck-type power or trailing unit or motor vehicle, including a passenger vehicle, motorcycle, motor home, sport utility vehicle, or light duty truck at that time, as determined by the department from such information as may be available, must be considered its base value.

(4) If the purchase price is unavailable or otherwise unascertainable or the reissuance of title and registration is the result of a gift or inheritance, the department must determine a value equivalent to the latest purchase price by 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.

(5) For purposes of this chapter, the term “value” excludes value attributable to modifications of a motor vehicle and equipment that are designed to facilitate the use or operation of the motor vehicle by a person with disabilities.

(6) For purposes of this section, “market value” means the latest purchase price.

Sec. 13. RCW 82.44.065 and 2010 c 161 s 912 each amended to read as follows:

If the department determines a value for a vehicle ((~~equivalent to a manufacturer's base suggested retail price or the value of a truck or trailer under RCW 82.44.035~~)) under section 12 of this act, any person who pays a state or locally imposed tax for that vehicle

may appeal the valuation to the department under chapter 34.05 RCW. If the taxpayer is successful on appeal, the department shall refund the excess tax in the manner provided in RCW 82.44.120. This ensures an honest and accurate calculation of the tax.

Sec. 14. RCW 81.104.140 and 2015 3rd sp.s. c 44 s 318 are each amended to read as follows:

(1) Agencies authorized to provide high capacity transportation service, including transit agencies and regional transit authorities, and regional transportation investment districts acting with the agreement of an agency, are hereby granted dedicated funding sources for such systems. These dedicated funding sources, as set forth in RCW 81.104.150, 81.104.160, 81.104.170, and 81.104.--- (section 321, chapter 44, Laws of 2015 3rd sp. sess.), are authorized only for agencies located in (a) each county with a population of two hundred ten thousand or more and (b) each county with a population of from one hundred twenty-five thousand to less than two hundred ten thousand except for those counties that do not border a county with a population as described under (a) of this subsection. In any county with a population of one million or more or in any county having a population of four hundred thousand or more bordering a county with a population of one million or more, these funding sources may be imposed only by a regional transit authority or a regional transportation investment district. Regional transportation investment districts may, with the approval of the regional transit authority within its boundaries, impose the taxes authorized under this chapter, but only upon approval of the voters and to the extent that the maximum amount of taxes authorized under this chapter have not been imposed.

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

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

(a) Acceptability;

(b) Ease of administration;

(c) Equity;

(d) Implementation feasibility;

(e) Revenue reliability; and

(f) Revenue yield.

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

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

(ii) ((~~Special motor vehicle excise tax~~)) Sales and use taxes upon retail car rentals as provided in RCW 81.104.160;

(iii) Regular property tax as provided in 81.104.--- (section 321, chapter 44, Laws of 2015 3rd sp. sess.); and

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

(b) Revenues from these taxes may be used only to support those purposes prescribed in subsection (10) of this section. Before the date of an election authorizing an agency to impose any of the taxes enumerated in this section and authorized in RCW 81.104.150, 81.104.160, 81.104.170, and 81.104.--- (section 321, chapter 44, Laws of 2015 3rd sp. sess.), the agency must comply with the process prescribed in RCW 81.104.100 (1) and (2) and 81.104.110. No construction on exclusive right-of-way may occur before the requirements of RCW 81.104.100(3) are met.

(5) Except for the regular property tax authorized in 81.104.--- (section 321, chapter 44, Laws of 2015 3rd sp. sess.), the authorization in subsection (4) of this section may not adversely affect the funding authority of transit agencies not provided for in this chapter. Local option funds may be used to support implementation of interlocal agreements with respect to the establishment of regional high capacity transportation service. Except when a regional transit authority exists, local jurisdictions must retain control over moneys generated within their boundaries, although funds may be commingled with those generated in other areas for planning, construction, and operation of high capacity

transportation systems as set forth in the agreements.

(6) Except for the regular property tax authorized in 81.104.--- (section 321, chapter 44, Laws of 2015 3rd sp. sess.), agencies planning to construct and operate high capacity transportation systems may contract with the state for collection and transference of voter-approved local option revenue.

(7) Dedicated high capacity transportation funding sources authorized in RCW 81.104.150, 81.104.160, 81.104.170, and 81.104.--- (section 321, chapter 44, Laws of 2015 3rd sp. sess.) are subject to voter approval by a simple majority. A single ballot proposition may seek approval for one or more of the authorized taxing sources. The ballot title must reference the document identified in subsection (8) of this section.

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

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

(10)(a) Agencies providing high capacity transportation service must retain responsibility for revenue encumbrance, disbursement, and bonding. Funds may be used for any purpose relating to planning, construction, and operation of high capacity transportation systems and commuter rail systems, personal rapid transit, busways, bus sets, and entrained and linked buses.

(b) A regional transit authority that ((~~imposes a motor vehicle excise tax after the effective date of this section,~~)) imposes a property tax((~~,~~)) or increases a sales and use tax to more than nine-tenths of one percent must undertake a process in which the

authority's board formally considers inclusion of the name, Scott White, in the naming convention associated with either the University of Washington or Roosevelt stations.

Sec. 15. RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each amended to read as follows:

(1) ((~~Regional transit authorities that include a county with a population of more than one million five hundred thousand may submit an authorizing proposition to the voters, and if approved, may levy and collect an excise tax, at a rate approved by the voters, but not exceeding eight-tenths of one percent on the value, under chapter 82.44 RCW, of every motor vehicle owned by a resident of the taxing district, solely for the purpose of providing high capacity transportation service. The maximum tax rate under this subsection does not include a motor vehicle excise tax approved before the effective date of this section if the tax will terminate on the date bond debt to which the tax is pledged is repaid. This tax does not apply to vehicles licensed under RCW 46.16A.455 except vehicles with an unladen weight of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2). Notwithstanding any other provision of this subsection or chapter 82.44 RCW, a motor vehicle excise tax imposed by a regional transit authority before or after the effective date of this section must comply with chapter 82.44 RCW as it existed on January 1, 1996, until December 31st of the year in which the regional transit authority repays bond debt to which a motor vehicle excise tax was pledged before the effective date of this section. Motor vehicle taxes collected by regional transit authorities after December 31st of the year in which a regional transit authority repays bond debt to which a motor vehicle excise tax was pledged before the effective date of this section must comply with chapter 82.44 RCW as it existed on the date the tax was approved by voters.~~

~~(2)~~)) An agency and high capacity transportation corridor area may impose a sales and use tax solely for the purpose of providing high capacity transportation service, in addition to the tax authorized by RCW 82.14.030, upon retail car rentals within the

applicable jurisdiction that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of tax may not exceed 2.172 percent. ((~~The rate of tax imposed under this subsection must bear the same ratio of the 2.172 percent authorized that the rate imposed under subsection (1) of this section bears to the rate authorized under subsection (1) of this section.~~)) The base of the tax is the selling price in the case of a sales tax or the rental value of the vehicle used in the case of a use tax.

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

((~~(4) If a regional transit authority imposes the tax authorized under subsection (1) of this section, the authority may not receive 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~~ this section may not be imposed or collected as of the effective date of this section, or after the date on which the bonds have been fully retired or defeased under section 16 of this act, whichever occurs first.

NEW SECTION. **Sec. 16.** A new section is added to chapter 81.112 RCW to read as follows:

An authority must fully retire or defease any outstanding bonds issued under this chapter by the effective date of this section, if:

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

(2) The bonds, by virtue of the terms of the bond contract, covenants, or similar terms, may be retired or defeased early at the authority's discretion.

MISCELLANEOUS

NEW SECTION. **Sec. 17.** The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act.

NEW SECTION. **Sec. 18.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 19.** This act is known and may be cited as the "Bring Back Our $30 Car Tabs Initiative."

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