
SENATE BILL 5851

State of Washington

65th Legislature

2017 Regular Session

By Senator Rossi

1 AN ACT Relating to the valuation of motor vehicles for purposes
2 of certain motor vehicle excise taxes; amending RCW 81.104.160 and
3 82.44.035; and creating a new section.

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

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

7 (1)(a) Regional transit authorities that include a county with a
8 population of more than one million five hundred thousand may submit
9 an authorizing proposition to the voters, and if approved, may levy
10 and collect an excise tax, at a rate approved by the voters, but not
11 exceeding eight-tenths of one percent on the value, under chapter
12 82.44 RCW, of every motor vehicle owned by a resident of the taxing
13 district, solely for the purpose of providing high capacity
14 transportation service. The maximum tax rate under this subsection
15 does not include a motor vehicle excise tax approved before July 15,
16 2015, if the tax will terminate on the date bond debt to which the
17 tax is pledged is repaid. This tax does not apply to vehicles
18 licensed under RCW 46.16A.455 except vehicles with an unladen weight
19 of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2).
20 (~~Notwithstanding any other provision of this subsection or chapter~~
21 ~~82.44 RCW, a motor vehicle excise tax imposed by a regional transit~~

1 authority before or after July 15, 2015, must comply with chapter
2 82.44 RCW as it existed on January 1, 1996, until December 31st of
3 the year in which the regional transit authority repays bond debt to
4 which a motor vehicle excise tax was pledged before July 15, 2015.
5 Motor vehicle taxes collected by regional transit authorities after
6 December 31st of the year in which a regional transit authority
7 repays bond debt to which a motor vehicle excise tax was pledged
8 before July 15, 2015, must comply with chapter 82.44 RCW as it
9 existed on the date the tax was approved by voters.))

10 (b) Beginning July 15, 2015, for the purpose of determining a
11 motor vehicle excise tax imposed by a regional transit authority
12 under (a) of this subsection, the value of a motor vehicle must be
13 based on base model Kelly Blue book values, or national automobile
14 dealers association values, whichever is lower.

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) shall be repealed, terminated, and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

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

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

3 (1) For the purpose of determining any locally imposed motor
4 vehicle excise tax, the value of a truck or trailer (~~shall be~~) is
5 the latest purchase price of the vehicle, excluding applicable
6 federal excise taxes, state and local sales or use taxes,
7 transportation or shipping costs, or preparatory or delivery costs,
8 multiplied by the following percentage based on year of service of
9 the vehicle since last sale. The latest purchase year (~~shall be~~) is
10 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

28 (2) The reissuance of a certificate of title and registration
29 certificate for a truck or trailer because of the installation of
30 body or special equipment (~~shall~~) must be treated as a sale, and
31 the value of the truck or trailer at that time, as determined by the
32 department from such information as may be available, (~~shall be~~) is
33 considered the latest purchase price.

34 (3) For the purpose of determining any locally imposed motor
35 vehicle excise tax, the value of a vehicle other than a truck or

1 trailer shall be eighty-five percent of the manufacturer's base
2 suggested retail price of the vehicle when first offered for sale as
3 a new vehicle, excluding any optional equipment, applicable federal
4 excise taxes, state and local sales or use taxes, transportation or
5 shipping costs, or preparatory or delivery costs, multiplied by the
6 applicable percentage listed in this subsection (3) based on year of
7 service of the vehicle.

8 If the manufacturer's base suggested retail price is unavailable
9 or otherwise unascertainable at the time of initial registration in
10 this state, the department (~~shall~~) must determine a value
11 equivalent to a manufacturer's base suggested retail price as
12 follows:

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

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

29	YEAR OF SERVICE	PERCENTAGE
30	1	100
31	2	81
32	3	72
33	4	63
34	5	55
35	6	47
36	7	41
37	8	36

	YEAR OF SERVICE	PERCENTAGE
2		
1	9	32
3	10	27
4	11	26
5	12	24
6	13	23
7	14	21
8	15	16
9	16 or older	10

10 (4) For purposes of this chapter, value (~~shall~~) excludes value
11 attributable to modifications of a vehicle and equipment that are
12 designed to facilitate the use or operation of the vehicle by a
13 person with a disability.

14 (5) This section does not apply to a motor vehicle excise tax
15 imposed by a regional transit authority under RCW 81.104.160(1).

16 NEW SECTION. **Sec. 3.** This act is remedial and curative in
17 nature and applies retroactively to July 15, 2015, and prospectively.

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