

CHAPTER 113.

[H. B. 487.]

MOTOR VEHICLE FUEL TAX—USE FUEL TAX—
DISTRIBUTION OF REVENUES.

AN ACT relating to revenue and taxation; providing for the distribution of certain motor vehicle fuel and use fuel tax revenues; amending section 82.36.020, chapter 15, Laws of 1961, as amended by section 1, chapter 7, Laws of 1961, first extraordinary session, and RCW 82.36.020; and amending section 82.40.290, chapter 15, Laws of 1961, as amended by section 4, chapter 7, Laws of 1961, first extraordinary session, and RCW 82.40.290.

Be it enacted by the Legislature of the State of Washington:

RCW 82.36.020
amended.

SECTION 1. Section 82.36.020, chapter 15, Laws of 1961, as amended by section 1, chapter 7, Laws of 1961, first extraordinary session, and RCW 82.36.020 are each amended to read as follows:

Motor vehicle
fuel tax—Im-
posed—Rate—
Allocation of
proceeds.

Every distributor shall pay, in addition to any other taxes provided by law, an excise tax to the director of seven and one-half cents for each gallon of motor vehicle fuel sold, distributed, or used by him in the state as well as on each gallon upon which he has assumed liability for payment of the tax under the provisions of RCW 82.36.100: *Provided*, That under such regulations as the director may prescribe sales or distribution of motor vehicle fuel may be made by one licensed distributor to another licensed distributor free of the tax. In the computation of the tax, one-quarter of one percent of the net gallonage otherwise taxable shall be deducted by the distributor before computing the tax due, on account of the losses sustained through handling. The tax herein imposed shall be collected and paid to the state but once in respect to any motor vehicle fuel. An invoice shall be rendered by a distributor to a purchaser for each distribution of motor vehicle fuel. The invoice shall contain a statement

that the distributor has assumed the tax thereon. The proceeds of the net gallonage remaining after deduction of one-quarter of one percent as herein provided shall be distributed as follows: Of the seven and one-half cents collected as herein provided, six and one-half cents shall be distributed between the state, cities and counties under the provisions of RCW 46.68.090 and 46.68.100, and one-quarter cent shall be distributed to the state and expended pursuant to RCW 46.68.130, one-quarter cent shall be paid into the motor vehicle fund and credited to the Puget Sound reserve account created by RCW 47.60.350, and one-half cent shall be distributed to the cities and towns directly and allocated between them as provided by RCW 46.68.110: *Provided*, That the funds allocated to a city or town which are attributable to such one-half cent of the additional tax imposed by this 1961 amendatory act shall be matched twenty-five percent by such city or town and seventy-five percent from the proceeds of such one-half cent of additional tax: *And provided further*, That the proceeds of such one-half cent of additional tax and the matching funds provided by such city or town shall be used exclusively for the construction, improvement and repair of arterial highways as that term is defined in RCW 46.04.030, or for the payment of any municipal indebtedness which may be incurred after the effective date of this act in the construction, improvement and repair of arterial highways as that term is defined in RCW 46.04.030. All such sums shall first be subject to proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

Proviso.

Proviso.

SEC. 2. Section 82.40.290, chapter 15, Laws of 1961, as amended by section 4, chapter 7, Laws of 1961, first extraordinary session, and RCW 82.40.290 are each amended to read as follows:

RCW 82.40.290 amended.

All moneys collected by the director shall be

Use fuel tax—
Revenue to
motor vehicle
fund—Alloca-
tion of pro-
ceeds.

transmitted forthwith to the state treasurer, together with a statement showing whence the moneys were derived, and shall be by him credited to the motor vehicle fund. A duplicate of such statement shall be sent to the state auditor.

The proceeds of the use fuel tax imposed by this chapter shall be distributed as follows: Of the seven and one-half cents collected, six and one-half cents shall be distributed between the state, cities and counties under the provisions of RCW 46.68.090 and 46.68.100, one-quarter cent shall be distributed to the state and expended pursuant to RCW 46.68.130, one-quarter cent shall be paid into the motor vehicle fund and credited to the Puget Sound reserve account created by RCW 47.60.350, and one-half cent shall be distributed to the cities and towns directly and allocated between them as provided by RCW 46.68.110: *Provided*, That the funds allocated to a city or town which are attributable to such one-half cent of the additional tax imposed by this 1961 amendatory act shall be matched twenty-five percent by such city or town and seventy-five percent from the proceeds of such one-half cent of additional tax: *And provided further*, That the proceeds of such one-half cent of additional tax and the matching funds provided by such city or town shall be used exclusively for the construction, improvement and repair of arterial highways as that term is defined in RCW 46.04.030, or for the payment of any municipal indebtedness which may be incurred after the effective date of this act in the construction, improvement, and repair of arterial highways as that term is defined in RCW 46.04.030. All such sums shall first be subject to proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

Proviso.

Proviso.

Passed the House March 2, 1963.

Passed the Senate March 12, 1963.

Approved by the Governor March 25, 1963.