

Summary Chart of Local Option Taxes for Transportation

TAX	PURPOSE	RATE	JURISDICTION	EXEMPTIONS	OTHER PROVISIONS
Cities and / or Counties					
Fuel Tax	Highway Purposes (Per 18th Amendment)	10% of State Rate, public vote	County (Incorporated and Unincorporated)	Same as statewide fuel tax--applied to both motor and special fuel	Distributed to county and cities within the county on per capita basis: 1.5 for population in unincorporated area and 1.0 for city populations
Commercial Parking Tax	General Transportation	No fixed rate-- Councilmanic/referendum process specified	City or County (Unincorporated)		May provide exemptions for tax-exempt carpools, vehicles with handicap decals, and government vehicles
Border Area Fuel Tax	Street construction & maintenance	Up to one cent per gallon, public vote	Cities or TBDs within 10 miles of international border crossing		For areas impacted by Canadian border crossings.
Property Tax Road Levy	County Road Purposes	Up to \$2.25 / \$1,000 assessed value	All counties		Levy can be diverted for other purposes, but doing so makes the county ineligible for CRAB road grants.
Employer Tax	High Occupancy Vehicle Lanes	Up to \$2/employee/month, public vote	King, Pierce, Snohomish counties		Total of HOV taxes cannot exceed revenue from 15% MVET alone: precludes HCT employer tax
Motor Vehicle Excise Tax (MVET)	High Occupancy Vehicle Lanes	Up to 15% of MVET base rate (2.0%), public vote	King, Pierce, Snohomish counties	Trucks over 6,000 lbs. Unladen weight	Total of HOV taxes cannot exceed revenue from 15% MVET alone
Property Tax	County Ferry Districts	Ad valorem, up to seventy-five cents per \$1,000, councilmanic; except in King County where the limit is 7.5 cents per \$10,000 assessed value (RCW 36.54.130)			Excess property tax levy, public vote
Repealed/Discontinued City and County Taxes/Fees					
Street Utility Charge Found unconstitutional by Washington State Supreme Court	Street Maintenance and Operations	Up to \$2/employee/month Up to \$2/household/month Councilmanic	City	Entities exempt from property/leasehold tax	Tax ruled unconstitutional. Credit to businesses paying employer/commuter taxes for transportation: revenue limited to 50% of M&O budget
Vehicle License Fee** Repealed by Initiative 776	General Transportation	Up to \$15 Councilmanic	County (Unincorporated & Incorporated)	County may exempt persons over 60 or with disabilities	Repealed by I-776. County must delay effective date at least 6 months from date of enactment for DOL implementation

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Transportation Benefit Districts (TBDs); size can range from portion of a city to multi-county					
Sales and Use Tax	Transportation activities Capital and operating.	Up to 0.2%, public vote	TBD	Same as state sales tax.	Not longer than 10 years unless reauthorized by vote, except if revenues are pledged for bonds
Motor Vehicle Fee Renewal	Transportation activities	Up to \$100, public vote Up to \$20, councilmanic, except for Passenger-only ferry improvements--public vote	TBD	Vehicles over 6,000 lbs are exempt	Combined fees in overlapping districts may not exceed the single statutorily authorized rate (aka "no stacking")
Excess Property Tax Levies	Transportation activities	No fixed rate, public vote (super-majority)	TBD		One year levy, and multi-year levy to support GO bonds
Tolls on state routes, city streets, county roads	Transportation activities	No stated rate			Tolls on state routes must be authorized by Legislature. Tolls on local roads must be approved by the Transportation Commission and administered by DOT
Border Area Fuel Tax	Highway purposes (18th amendment)	Increments of a tenth of a cent, may not exceed one cent per gallon, public vote			Only for TBD with international border crossing within its boundaries
Impact fees (commercial development only) and LID formation	Transportation activities	No prescribed rate. No public vote			Controlled by overarching requirements for each process.
Regional Transportation Investment Districts (RTID) (King, Pierce and Snohomish Counties only--Single or Multiple adjoining counties)					
Sales and Use Tax	Capital improvements to Highways of Statewide Significance & up to 10% of funds for other roads	Up to 0.1 %, public vote	RTID	Same as state sales tax	All RTID taxes sunset after projects completed & debt retired. Specific planning & fiscal requirements.
Vehicle Registration Fee	Same	Up to \$100, public vote	RTID		
Motor Vehicle Excise Tax	Same	Up to 0.8%, public vote	RTID		
Local Option Fuel Tax	Same	10 % of state rate, public vote	RTID		Must be imposed county-wide
Parking tax	Same	Public vote	RTID		
Tolls	Same	Public vote	RTID		Tolls on improved facilities & must be approved by Trans. Commission
\$2/ month employee tax	Same	Public vote	RTID		

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Public Transit Systems					
Sales and Use Tax	Public Transit	Up to 0.9%, public vote	Cities, Counties and Special Purpose Transit Districts		Cannot be imposed if jurisdiction is within another jurisdiction that is collecting tax.
B & O Tax &/or Household Tax	Public Transit	Set by transit district, public vote	City, Counties and Special Purpose Transit Districts		Neither may be used concurrently with sales tax
Property Tax	Public Transit	Up to 7.5 cents per \$1,000, Councilmanic	County over 1.5 M persons		First one cent must be for bus capacity along SR 520 corridor.
Congestion Reduction Charge	Public Transit	Up to \$20 per vehicle	County that has assumed the authority of a metropolitan municipal corporation	Vehicle renewals only	Expires June 30, 2014, if not imposed with voter approval. Otherwise expires December 31, 2014.
Passenger-Only Ferry Service Taxes MVET Sales tax	Passenger Only Ferry Services	--Up to 0.4% MVET, public vote --Up to 0.4% Sales tax, public vote	Public Transportation Benefit Areas abutting Puget Sound & not within RTA boundaries	MVET: Vehicle renewals only Vehicles over 6,000 lbs	
High Capacity Transportation					
Employer Tax	High Capacity Transportation Systems	Up to \$2/employee/mo	RTA (ST): Pierce, King, Snohomish Transit agencies in Clark, Spokane, Yakima, Kitsap, & Thurston HCTCAs: Transit agencies Spokane and Clark counties		Not allowed if HOV employer tax in effect
Motor Vehicle Excise Tax Repealed by Initiative 776. ST permitted to continue to impose to meet debt obligations, see <i>Pierce County v. State</i> 159 Wn2d 16 (2006)	High Capacity Transportation Systems	Up to 0.8% of vehicle value	Same as above	Vehicles over 6,000 lbs	
Rental car sales tax	High Capacity Transportation Systems	Up to 2.172%	Same as above		Originally, in lieu of MVET.
Sales & Use Tax	High Capacity Transportation Systems	Up to 1% of purchase price of taxable items	Same as above	Same as statewide sales tax	Tax limited to 0.9% if 0.1% local option sales tax for criminal justice is in effect