

CHAPTER 35

[Substitute Senate Bill No. 3067]

SPECIAL FUEL USED OUTSIDE OF STATE IN INTERSTATE COMMERCE—
SALES AND USE TAX—CREDITS AND REFUNDS

AN ACT Relating to motor vehicle and special fuels; amending section 23, chapter 37, Laws of 1980 as amended by section 1, chapter 147, Laws of 1980 and RCW 82.08.0255; amending section 56, chapter 37, Laws of 1980 as amended by section 2, chapter 147, Laws of 1980 and RCW 82.12.0256; creating a new section; and declaring an emergency.

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

NEW SECTION. Sec. 1. It is the intent of the legislature that special fuel purchased in Washington upon which the special fuel tax has been paid, regardless of whether or not the tax is subsequently refunded or credited in whole or in part, should not be subject to the sales and use tax if the special fuel is transported and used outside the state by persons engaged in interstate commerce.

Sec. 2. Section 23, chapter 37, Laws of 1980 as amended by section 1, chapter 147, Laws of 1980 and RCW 82.08.0255 are each amended to read as follows:

- (1) The tax levied by RCW 82.08.020 shall not apply to sales of:
- ~~((+))~~ (a) Motor vehicle fuel used in aircraft by the manufacturer thereof for research, development, and testing purposes; and
- ~~((2))~~ (b) Motor vehicle and special fuel if:
- ~~((+))~~ (i) The fuel is purchased for the purpose of public transportation and the purchaser is entitled to a refund or an exemption under RCW 82.36.275 or 82.38.080(8); or
- ~~((b))~~ (ii) The fuel is taxable under chapter 82.36 or 82.38 RCW.

(2) Any person who has paid the tax imposed by RCW 82.08.020 on the sale of special fuel delivered in this state shall be entitled to a credit or refund of such tax with respect to fuel subsequently established to have been actually transported and used outside this state by persons engaged in interstate commerce. The tax shall be claimed as a credit or refunded through the tax reports required under RCW 82.38.150.

Sec. 3. Section 56, chapter 37, Laws of 1980 as amended by section 2, chapter 147, Laws of 1980 and RCW 82.12.0256 are each amended to read as follows:

- The provisions of this chapter shall not apply in respect to the use of:
- (1) Motor vehicle fuel used in aircraft by the manufacturer thereof for research, development, and testing purposes; and
- (2) Special fuel purchased in this state upon which a refund is obtained as provided in RCW 82.38.180(2); and
- (3) Motor vehicle and special fuel if:

(a) The fuel is used for the purpose of public transportation and the purchaser is entitled to a refund or an exemption under RCW 82.36.275 or 82.38.080(8); or

(b) The fuel is taxable under chapter 82.36 or 82.38 RCW: PROVIDED, That the use of motor vehicle and special fuel upon which a refund of the applicable fuel tax is obtained shall not be exempt under this subsection (~~((2)(b))~~) (3)(b), and the director of licensing shall deduct from the amount of such tax to be refunded the amount of tax due under this chapter and remit the same each month to the department of revenue.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate April 28, 1983.

Passed the House May 9, 1983.

Approved by the Governor May 17, 1983.

Filed in Office of Secretary of State May 17, 1983.

CHAPTER 36

[Engrossed House Bill No. 1082]

OUTSTANDING STATE DEBT—PRINCIPAL AND INTEREST ANNUAL COMPUTATION—CERTAIN DEBTS EXCLUDED

AN ACT Relating to fiscal matters; amending section 6, chapter 184, Laws of 1971 ex. sess. as amended by section 1, chapter 204, Laws of 1979 ex. sess. and RCW 39.42.060; and declaring an emergency.

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

Sec. 1. Section 6, chapter 184, Laws of 1971 ex. sess. as amended by section 1, chapter 204, Laws of 1979 ex. sess. and RCW 39.42.060 are each amended to read as follows:

No bonds, notes, or other evidences of indebtedness for borrowed money shall be issued by the state which will cause the aggregate debt contracted by the state to exceed that amount for which payments of principal and interest in any fiscal year would require the state to expend more than seven percent of the arithmetic mean of its general state revenue, as defined in section 1 of Article VIII of the Washington state Constitution for the three immediately preceding fiscal years as certified by the treasurer in accordance with RCW 39.42.070. It shall be the duty of the state finance committee to compute annually the amount required to pay principal of and interest on outstanding debt. In making such computation, the state finance committee shall include all borrowed money represented by bonds, notes, or other evidences of indebtedness which are secured by the full faith and credit of the state or are required to be paid, directly or indirectly, from general state revenues and which are incurred by the state, any department,