

Multiple Agency Fiscal Note Summary

Bill Number: 2098 HB

Title: County & city financial asst

Estimated Cash Receipts

Agency Name	2003-05		2005-07		2007-09	
	GF- State	Total	GF- State	Total	GF- State	Total
Total \$						

Local Gov. Courts *						
Local Gov. Other **	Fiscal note not available					
Local Gov. Total						

Estimated Expenditures

Agency Name	2003-05			2005-07			2007-09		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Financial Institutions	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.3	35,400	35,400	.3	29,100	29,100	.3	29,000	29,000
Total	0.3	\$35,400	\$35,400	0.3	\$29,100	\$29,100	0.3	\$29,000	\$29,000

Local Gov. Courts *									
Local Gov. Other **	Fiscal note not available								
Local Gov. Total									

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Prepared by: Doug Jenkins, OFM

Phone:

360-902-0563

Date Published:

Preliminary 3/10/2003

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Bill Number: 2098 HB	Title: County & city financial asst	Agency: 102-Dept of Financial Institutions
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Part I: Estimates

☒ No Fiscal Impact

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Mark Matteson	Phone: 360-786-7145	Date: 02/26/2003
Agency Preparation: Nick Klucarich	Phone: (360) 902-8780	Date: 02/27/2003
Agency Approval: Michael Schmidlkofer	Phone: 360-902-8792	Date: 03/03/2003
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 03/05/2003

Department of Revenue Fiscal Note

Bill Number: 2098 HB	Title: County & city financial asst	Agency: 140-Department of Revenue
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2004	FY 2005	2003-05	2005-07	2007-09
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
Fund					
GF-STATE-State 001-1	19,800	15,600	35,400	29,100	29,000
Total \$	19,800	15,600	35,400	29,100	29,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Mark Matteson	Phone: 360-786-7145	Date: 02/26/2003
Agency Preparation: Don Taylor	Phone: 360-570-6083	Date: 03/10/2003
Agency Approval: Mary Welsh	Phone: 360-570-6076	Date: 03/10/2003
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 03/10/2003

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

NOTE: this fiscal note addresses only the newly authorized local government taxes provided in Sections 201, 202, 301, 302, and 304 of the bill, which pertain to the Department of Revenue. (Technically, the local business taxes in Sections 201-203 do not impact the Department, since these are not administered or collected by the state.)

Section 201. Authorizes counties to levy a license fee upon general business activities, except for certain solid waste collection firms, within the unincorporated area of the county. The rate or tax base of such a county business tax is not specified.

Section 202. Currently only cities may tax utility operations; the maximum tax rate is 6.0 percent. This section allows counties to also tax utility operations and the maximum tax rate for both is set at 8.0 percent.

Section 203. Amends RCW 35.58.560 which currently provides that neither counties nor cities may tax a metropolitan municipal corporation. This amendment would allow a county to tax such an entity (presumably within the same county).

Section 301. Authorizes a new local sales/use tax of 0.2 percent to be levied countywide by the county. The existing 85%/15% sharing of receipts for sales occurring within cities would not be applicable. Receipts of the tax would be distributed as follows: (1) 40% to the county, presumably to be used for general purposes; (2) 20% to the county to be used solely for services in unincorporated areas; and (3) 40% to all cities in the county, to be distributed among the cities on the basis of incorporated population. The Department of Revenue would collect the tax but the existing 2.0 percent retention to cover costs of administration would not be provided for the state.

Section 302. Provides new property tax authority, if approved by the voters of the district: (1) city levy of \$0.25 per thousand of assessed value; (2) county levy of \$0.10 per thousand of assessed value; and (3) county levy of \$0.25 per thousand of assessed value only within the unincorporated area of the county. Unless specified otherwise in the ballot proposition, the levy would be for one year.

Section 303. Reduces the nominal state property tax levy from \$3.60 to \$3.25 and makes adjustments in maximum levies for certain local taxing districts to accommodate the new levies in Section 302.

Sections 304-306. Amendments to accommodate the new property tax levies in Section 302.

Sections 401-402. Allows formation of a new county unincorporated service area.

Section 501. Appropriates \$25 million for the 2003-05 biennium for direct financial assistance to cities and counties.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

ASSUMPTIONS/DATA SOURCES

The general assumption for all of these new local government financing sources is that voter approval would be obtained when necessary. Further, the estimates given below assume that the maximum rates provided in statute would be implemented.

Local Sales Tax:

It is assumed that there would be no state reimbursement for collection costs, since RCW 82.14.050 is not amended by the bill. (The state is authorized to retain up to 2.0% of collections for other local sales/use taxes.)

It should be noted that the present maximum combined retail sales/use tax rate in Washington is 8.9 percent. This rate is one of the highest in the nation and is significantly higher than in neighboring states. An additional 0.2 percent tax rate may present an additional incentive for increased avoidance of the tax (by making purchases over the Internet, via mail order, by purchasing outside of the state, etc.). As a result of potentially increased sales/use tax avoidance, the yield of existing state and local sales/use taxes might decrease. This fiscal note does not consider the potential impact of decreased tax compliance for either the new 0.2 percent local tax or for existing state and local sales/use taxes.

Local Business Taxes:

For purposes of the general county business tax in unincorporated areas (Sec. 201), it is assumed that the tax base would be gross receipts and the maximum rate would be 0.2 percent, as it is for existing city B and O taxes. The estimates for this tax assume that the 0.2% rate would be levied only in unincorporated areas of the county (not within cities which do not presently levy a general business tax).

There are two utility tax estimates pursuant to Section 202 of the bill: one assumes a new tax at a rate of 8% levied by counties only in the unincorporated area of the county, and the other assumes (1) an increase in existing city utility taxes due to the maximum rate being increased from 6% to 8% and (2) levying of the tax at 8% by all cities which do not presently levy a utility tax.

Local Property Tax Levies:

It is assumed there would be no impact on the state property tax levy, even with the statutory rate being reduced from \$3.60 to \$3.25, because the actual rate remains well below this level.

The estimates provided below assume that the levies had been in place for taxes due and payable during calendar year 2002.

No estimates are provided for the potential reduction in property tax receipts for junior taxing districts which might be adversely impacted due to prorationing, as a result of the higher aggregate property tax levy rates.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000): No direct impact on state revenues

Local Government, if applicable (cash basis, \$000):

It is not possible to estimate the potential utilization of the increased local tax authority with any precision, because it is not known to what degree these taxes might be utilized by local jurisdictions. However, to illustrate the possible local tax yield a spreadsheet is attached to this fiscal note. It lists all cities and counties and provides estimates for calendar year 2002, assuming these jurisdictions levied these taxes at their maximum rates. The statewide amounts are summarized below:

NEW 0.2% LOCAL SALES/USE TAX: STATEWIDE YIELD FOR CY 2002

County General Purposes (40%)	-	\$74,167,000
County Unincorporated Services (20%)	-	\$37,100,000

Cities (40%) - \$74,167,000

LOCAL BUSINESS TAXES: STATEWIDE YIELD FOR CY 2002

County, General Business Tax - \$1,207,500,000

County Utility Tax at 8% - \$388,824,000

City Utility Tax Inc. from 6% to 8% - \$209,531,800

INCREASED PROPERTY TAX LEVIES: STATEWIDE YIELD FOR CY 2002

County Levy of \$0.10 (countywide) - \$47,894,900

County Levy of \$0.25 (unincorporated) - \$42,963,700

City Levy of \$0.25 - \$76,773,300

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

(Contact: Miki Gearhart, 570-6127)

The Department of Revenue will incur costs of approximately \$19,800 in FY 2004 and \$15,600 in FY 2005 with on-going cost of approximately \$29,000 in each subsequent biennium. These costs include:

0.14 FTE at an Information Technology Application Specialist 4 level to make computer programming changes to the Excise Tax System, Electronic Filing system, distribution system and research and fiscal reports. This is a one-time cost estimate to change the Department's information technology systems to accommodate the new local sales and use taxes whether or not a local taxing jurisdiction is authorized by the voters to impose a new tax. This estimate assumes that the distribution of the new local sales and use taxes to the cities based on population (40% to cities within the county) would be provided by the county. Additional costs for 0.51 FTE will be incurred by the Department if the 40% distribution to cities is distributed by the Department instead of the counties. The additional costs will be incurred for the creation of a new distribution process and new percentage tables for the excise tax system.

0.25 FTE at an Excise Tax Examiner 3 level, each fiscal year, for the monitoring of distributions of the new sales and use taxes, and responding to questions from cities and counties. In FY 2005, the estimated FTE cost is 0.125 for the last half of the fiscal year when it will be possible for a jurisdiction to impose a new sales and use tax if approved by the voters. Again, these costs assume that DOR will distribute the sales and use taxes to the counties and then the counties would distribute the 40% based on population to the cities. Additional costs of 0.25 FTE will be incurred by the Department if the 40% distribution to the cities is distributed by Department instead of the counties. These additional costs are for monitoring the additional distributions and responding to questions from the cities and counties.

Printing and postage costs will also be incurred by DOR for notifying businesses within a county or city once a new sales and use tax is passed by voters. These estimates are not included on the front page of the fiscal note. The amount of cost will depend on the number of counties and cities whose voters pass the tax and how many businesses are located within the affected counties or cities. It cost thirty-eight cents per flyer to notify each business in a county where this tax is passed and could run between \$5,000 and \$10,000 in the last half of the FY 2005 if two or three cities or counties imposed the new tax in FY 2005.

Without an appropriation to cover the expenditure impact, the Department may not be able to fully implement the legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2004	FY 2005	2003-05	2005-07	2007-09
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
A-	12,500	10,400	22,900	20,800	20,800
B-	3,300	2,700	6,000	5,400	5,400
E-	1,700	1,400	3,100	2,800	2,800
J-	2,300	1,100	3,400	100	
Total \$	\$19,800	\$15,600	\$35,400	\$29,100	\$29,000

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2004	FY 2005	2003-05	2005-07	2007-09
Excise Tax Examiner 3	41,520	0.1	0.3	0.2	0.3	0.3
Info Tech Application Spec 4	51,864	0.1		0.1		
Total FTE's		0.3	0.3	0.3	0.3	0.3

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	General Purposes	Unincorp. Services	General Purposes	General Business	New County Tax @ 8%	Max. City Tax Inc. to 8%	City Levy of \$0.25	(Unincorp. Area Only)	(Countywide)
Adams County	136,860	68,430		3,700,000	1,632,000			167,056	107,506
Hatton			1,640			4,300	452		
Lind			9,170			34,500	4,290		
Othello			94,700			228,200	76,351		
Ritzville			27,370			57,600	19,243		
Washtucna			3,970			1,400	1,373		
Total	136,860	68,430	136,850	3,700,000	1,632,000	326,000	101,710	167,056	107,506
Asotin County	134,240	67,120		3,300,000	1,472,000			131,385	80,778
City of Asotin			17,590			42,600	9,675		
Clarkston			116,650			171,000	60,884		
Total	134,240	67,120	134,240	3,300,000	1,472,000	213,600	70,559	131,385	80,778
Benton County	1,800,600	900,300		23,600,000	5,848,000			486,057	755,030
Benton City			43,210			64,000	13,967		
Kennewick			896,670			1,454,807	625,511		
Prosser			77,430			219,400	65,861		
Richland			639,210			2,150,200	609,133		
West Richland			142,250			139,800	87,045		
Total	1,800,600	900,300	1,798,770	23,600,000	5,848,000	4,028,207	1,401,517	486,057	755,030
Chelan County	872,900	436,450		26,500,000	6,592,000			644,808	462,120
Cashmere			69,830			160,700	35,141		
City of Chelan			81,180			205,600	78,931		
Entiat			22,700			39,600	11,113		
Leavenworth			48,010			180,200	45,329		
Wenatchee			650,310			964,400	339,979		
Total	872,900	436,450	872,030	26,500,000	6,592,000	1,550,500	510,493	644,808	462,120
Clallam County	608,100	304,050		18,900,000	8,448,000			660,630	416,206
Forks			73,580			111,300	23,854		
Port Angeles			432,360			1,249,800	273,011		
Sequim			102,160			738,400	83,019		
Total	608,100	304,050	608,100	18,900,000	8,448,000	2,099,500	379,885	660,630	416,206
Clark County	3,260,000	1,630,000		81,700,000	23,608,000			2,852,668	2,421,270
Battle Ground			192,340			496,800	140,483		
Camas			234,720			4,302,500	535,634		
La Center			32,600			51,400	28,582		
Ridgefield			35,860			65,900	40,710		
Vancouver			2,585,180			4,023,700	2,286,193		
Washougal			156,480			429,000	158,960		
Yacolt			19,560			31,700	9,945		
Total	3,260,000	1,630,000	3,256,740	81,700,000	23,608,000	9,401,000	3,200,507	2,852,668	2,421,270

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	General Purposes	Unincorp. Services	General Purposes	General Business	New County Tax @ 8%	Max. City Tax Inc. to 8%	City Levy of \$0.25	(Unincorp. Area Only)	(Countywide)
Columbia County	22,700	11,350		400,000	360,000			43,696	26,237
Dayton			21,660			75,900	21,168		
Starbuck			1,040			6,700	730		
Total	22,700	11,350	22,700	400,000	360,000	82,600	21,898	43,696	26,237
Cowlitz County	1,007,120	503,560		16,200,000	9,296,000			882,281	639,245
Castle Rock			39,280			90,700	19,781		
Kalama			34,240			49,900	28,373		
Kelso			215,520			458,300	127,970		
Longview			647,580			954,500	465,224		
Woodland (Clark)			70,500			233,700	74,485		
Total	1,007,120	503,560	1,007,120	16,200,000	9,296,000	1,787,100	715,833	882,281	639,245
Douglas County	261,120	130,560		8,000,000	2,232,000			337,862	181,495
Bridgeport			42,820			98,700	7,035		
East Wenatchee			165,550			251,900	92,111		
Mansfield			6,530			20,400	2,085		
Rock Island			17,760			54,200	4,653		
Waterville			24,550			30,500	9,992		
Total	261,120	130,560	257,210	8,000,000	2,232,000	455,700	115,876	337,862	181,495
Ferry County	29,360	14,680		3,700,000	648,000			76,392	33,671
Republic			29,360			65,800	7,787		
Total	29,360	14,680	29,360	3,700,000	648,000	65,800	7,787	76,392	33,671
Franklin County	600,100	300,050		17,700,000	3,512,000			255,951	226,427
Connell			48,610			215,600	25,046		
Kahlotus			3,600			7,200	797		
Mesa			6,600			21,700	2,484		
Pasco			541,290			293,443	281,789		
Total	600,100	300,050	600,100	17,700,000	3,512,000	537,943	310,116	255,951	226,427
Garfield County	13,200	6,600		1,400,000	536,000			24,644	13,990
Pomeroy			13,200			93,300	10,330		
Total	13,200	6,600	13,200	1,400,000	536,000	93,300	10,330	24,644	13,990
Grant County	662,500	331,250		29,900,000	8,576,000			631,663	411,304
Coulee City			9,940			26,500	4,622		
Electric City			15,900			13,400	6,857		
Ephrata			114,610			556,300	62,433		
George			9,270			23,700	2,053		
Grand Coulee			15,240			73,200	7,068		
Hartline			1,990			11,900	827		
Krupp			1,320			5,300	661		
Mattawa			47,700			4,923	7,942		

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
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Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	<u>General Purposes</u>	<u>Unincorp. Services</u>	<u>General Purposes</u>	<u>General Business</u>	<u>New County Tax @ 8%</u>	<u>Max. City Tax Inc. to 8%</u>	<u>City Levy of \$0.25</u>	<u>(Unincorp. Area Only)</u>	<u>(Countywide)</u>
Moses Lake			257,050			475,400	200,235		
Quincy			85,460			93,500	60,893		
Royal City			29,810			15,900	6,055		
Soap Lake			28,490			98,200	10,942		
Warden			42,400			77,600	24,723		
Wilson Creek			3,970			29,600	1,284		
Total	662,500	331,250	663,150	29,900,000	8,576,000	1,505,423	396,597	631,663	411,304
Grays Harbor County	752,900	376,450		10,100,000	3,856,000			350,148	363,616
Aberdeen			295,890			1,223,400	173,326		
Cosmopolis			28,610			141,400	30,947		
Elma			57,970			76,200	36,031		
Hoquiam			162,620			361,800	75,909		
McCleary			25,600			47,600	15,231		
Montesano			60,230			102,000	42,260		
Oakville			12,050			41,800	5,794		
Ocean Shores			71,530			181,600	145,170		
Westport			38,400			69,800	34,224		
Total	752,900	376,450	752,900	10,100,000	3,856,000	2,245,600	558,893	350,148	363,616
Island County	519,000	259,500		17,700,000	11,648,000			1,432,027	687,817
Coupeville			39,960			104,500	33,871		
Langley			22,840			54,400	32,231		
Oak Harbor			456,200			486,600	221,414		
Total	519,000	259,500	519,000	17,700,000	11,648,000	645,500	287,515	1,432,027	687,817
Jefferson County	241,700	120,850		7,900,000	4,128,000			474,902	261,410
Port Townsend			241,700			408,000	178,624		
Total	241,700	120,850	241,700	7,900,000	4,128,000	408,000	178,624	474,902	261,410
King County	30,582,300	15,291,150		138,800,000	53,200,000			7,963,970	21,157,173
Algona			61,160			118,300	66,301		
Auburn			948,050			7,864,900	1,004,838		
Beaux Arts Village			0			115,600	17,225		
Bellevue			2,507,750			10,011,400	4,926,423		
Black Diamond			91,750			81,400	89,665		
Bothell			336,400			1,868,300	866,996		
Burien			672,810			4,582,000	595,663		
Carnation			30,580			72,400	34,323		
Clyde Hill			61,160			152,900	213,568		
Covington			305,820			1,815,700	237,214		
Des Moines			642,230			1,136,900	457,082		
Duvall			122,330			155,200	119,004		
Enumclaw			244,660			337,300	168,012		
Federal Way			1,804,360			4,875,300	1,405,159		

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
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Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	<u>General Purposes</u>	<u>Unincorp. Services</u>	<u>General Purposes</u>	<u>General Business</u>	<u>New County Tax @ 8%</u>	<u>Max. City Tax Inc. to 8%</u>	<u>City Levy of \$0.25</u>	<u>(Unincorp. Area Only)</u>	<u>(Countywide)</u>
Hunts Point			0			17,900	132,799		
Issaquah			305,820			988,900	590,688		
Kenmore			397,570			594,000	442,202		
Kent			1,804,360			7,199,900	1,894,841		
Kirkland			978,630			3,438,600	1,681,635		
Lake Forest Park			275,240			128,443	348,010		
Maple Valley			336,400			967,400	284,698		
Medina			61,160			2,824,900	428,923		
Mercer Island			458,730			1,139,700	1,426,279		
Newcastle			183,490			1,766,300	251,796		
Normandy Park			122,330			157,400	199,151		
North Bend			91,750			189,300	122,301		
City of Pacific			122,330			180,300	81,448		
Redmond			978,630			2,475,800	2,053,310		
Renton			1,162,130			2,818,300	1,391,369		
Sammamish			733,970			8,679,300	1,270,680		
SeaTac			550,480			6,128,700	760,434		
Seattle			12,263,500			27,849,000	18,738,363		
Shoreline			1,131,540			855,400	1,136,447		
Skykomish			0			600	4,368		
Snoqualmie			91,750			57,500	145,907		
Tukwila			366,990			6,257,600	835,095		
Woodinville			183,490			2,211,800	390,844		
Yarrow Point			30,580			40,200	115,901		
Total	30,582,300	15,291,150	30,459,930	138,800,000	53,200,000	110,154,843	44,928,962	7,963,970	21,157,173
Kitsap County	2,232,480	1,116,240		85,700,000	17,376,000			2,429,961	1,532,759
Bainbridge Island			636,260			628,100	779,939		
Bremerton			1,143,030			1,380,600	377,275		
Port Orchard			241,110			398,500	101,986		
Poulsbo			212,080			284,600	142,735		
Total	2,232,480	1,116,240	2,232,480	85,700,000	17,376,000	2,691,800	1,401,936	2,429,961	1,532,759
Kittitas County	352,520	176,260		7,000,000	4,088,000			373,642	235,541
Cle Elum			31,020			98,000	28,668		
Ellensburg			275,320			483,800	156,357		
City of Kittitas			19,040			29,500	8,749		
Roslyn			17,620			41,900	14,826		
South Cle Elum			9,520			18,300	6,609		
Total	352,520	176,260	352,520	7,000,000	4,088,000	671,500	215,209	373,642	235,541
Klickitat County	165,320	82,660		7,300,000	2,320,000			238,614	124,825
Bingen			16,860			47,900	12,902		
Goldendale			93,400			98,700	31,486		
White Salmon			55,050			56,400	29,059		

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	General Purposes	Unincorp. Services	General Purposes	General Business	New County Tax @ 8%	Max. City Tax Inc. to 8%	City Levy of \$0.25	(Unincorp. Area Only)	(Countywide)
Total	165,320	82,660	165,310	7,300,000	2,320,000	203,000	73,447	238,614	124,825
Lewis County	961,800	480,900		23,900,000	8,592,000			779,193	436,087
Centralia			511,680			534,100	158,408		
Chehalis			239,490			316,600	93,477		
Morton			35,590			116,600	14,796		
Mossyrock			16,350			300	3,636		
Napavine			46,170			20,800	13,355		
Pe Ell			22,120			40,600	4,492		
Toledo			23,080			22,900	5,969		
Vader			20,200			21,800	5,071		
Winlock			45,200			42,500	11,821		
Total	961,800	480,900	959,880	23,900,000	8,592,000	1,116,200	311,024	779,193	436,087
Lincoln County	56,100	28,050		800,000	1,888,000			141,542	73,985
Almira			2,920			25,900	2,148		
Creston			2,410			42,800	1,361		
Davenport			17,110			159,100	15,056		
Harrington			4,260			32,500	3,604		
Odessa			9,480			21,800	6,354		
Reardan			6,000			6,800	4,322		
Sprague			4,880			10,100	2,996		
Wilbur			9,030			39,500	7,580		
Total	56,100	28,050	56,090	800,000	1,888,000	338,500	43,421	141,542	73,985
Mason County	324,480	162,240		14,000,000	14,440,000			840,240	373,828
Shelton			324,480			869,100	94,329		
Total	324,480	162,240	324,480	14,000,000	14,440,000	869,100	94,329	840,240	373,828
Okanogan County	274,600	137,300		20,200,000	5,720,000			342,855	201,200
Brewster			38,170			80,400	21,234		
Conconully			3,290			22,300	2,826		
Coulee Dam			14,830			221,100	8,036		
Elmer City			4,670			1,100	1,308		
Nespelem			3,570			6,600	780		
City of Okanogan			42,560			90,300	19,698		
Omak			82,110			146,100	46,140		
Oroville			28,830			303,700	17,715		
Pateros			10,980			27,900	8,503		
Riverside			5,490			17,400	2,046		
Tonasket			17,570			45,500	10,983		
Twisp			16,480			37,700	10,220		
Winthrop			6,040			25,600	10,655		
Total	274,600	137,300	274,590	20,200,000	5,720,000	1,025,700	160,144	342,855	201,200

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	General Purposes	Unincorp. Services	General Purposes	General Business	New County Tax @ 8%	Max. City Tax Inc. to 8%	City Levy of \$0.25	(Unincorp. Area Only)	(Countywide)
Pacific County	136,250	68,125		7,300,000	3,448,000			290,936	154,630
Ilwaco			18,260			44,700	13,803		
Long Beach			25,890			106,800	37,923		
Raymond			57,630			157,700	27,758		
South Bend			34,600			58,600	16,156		
Total	136,250	68,125	136,380	7,300,000	3,448,000	367,800	95,639	290,936	154,630
Pend Oreille County	57,820	28,910		4,000,000	1,696,000			148,128	68,565
Cusick			3,990			10,200	1,206		
Ione			8,790			14,200	2,549		
Metaline			3,010			8,100	1,139		
Metaline Falls			4,220			12,200	1,645		
Newport			37,810			113,700	16,746		
Total	57,820	28,910	57,820	4,000,000	1,696,000	158,400	23,285	148,128	68,565
Pierce County	7,501,360	3,750,680		116,000,000	51,504,000			4,799,150	4,490,716
Bonney Lake			232,540			818,300	177,530		
Buckley			82,510			292,500	57,840		
Carbonado			15,000			44,900	5,952		
Du Pont			60,010			136,000	121,034		
Eatonville			37,510			223,400	29,585		
Edgewood			180,030			1,345,100	176,053		
Fife			90,020			858,000	249,457		
Fircrest			112,520			174,100	96,825		
Gig Harbor			127,520			475,500	202,071		
Lakewood			1,110,200			1,195,200	834,612		
Milton			97,520			96,900	97,905		
Orting			75,010			205,300	49,609		
Puyallup			660,120			1,120,200	630,040		
Roy			15,000			98,400	3,562		
Ruston			15,000			91,200	11,900		
South Prairie			7,500			113,300	4,870		
Steilacoom			112,520			205,300	111,360		
Sumner			165,030			278,000	205,445		
Tacoma			3,690,670			9,919,400	2,896,929		
University Place			577,600			1,407,400	459,943		
Wilkeson			7,500			22,300	4,886		
Total	7,501,360	3,750,680	7,471,330	116,000,000	51,504,000	19,120,700	6,427,409	4,799,150	4,490,716
San Juan County	255,000	127,500		7,900,000	2,280,000			849,137	366,403
Friday Harbor			255,000			1,275,800	66,870		
Total	255,000	127,500	255,000	7,900,000	2,280,000	1,275,800	66,870	849,137	366,403
Skagit County	1,535,840	767,920		25,800,000	8,832,000			1,105,134	860,052
Anacortes			382,420			492,700	353,122		

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	<u>General Purposes</u>	<u>Unincorp. Services</u>	<u>General Purposes</u>	<u>General Business</u>	<u>New County Tax @ 8%</u>	<u>Max. City Tax Inc. to 8%</u>	<u>City Levy of \$0.25</u>	<u>(Unincorp. Area Only)</u>	<u>(Countywide)</u>
Burlington			184,300			745,100	177,369		
Concrete			19,970			23,000	9,967		
Hamilton			9,210			16,700	2,927		
La Conner			19,970			226,600	23,618		
Lyman			10,750			1,600	3,450		
Mount Vernon			683,450			1,024,700	368,045		
Sedro Woolley			225,770			409,600	106,496		
Total	1,535,840	767,920	1,535,840	25,800,000	8,832,000	2,940,000	1,044,995	1,105,134	860,052
Skamania County	62,760	31,380		1,400,000	760,000			150,506	74,601
North Bonneville			21,400			13,600	9,264		
Stevenson			41,360			92,200	26,734		
Total	62,760	31,380	62,760	1,400,000	760,000	105,800	35,997	150,506	74,601
Snohomish County	6,570,160	3,285,080		117,100,000	24,072,000			5,076,920	4,388,341
Arlington			269,380			998,400	277,963		
Brier			131,400			160,100	104,089		
Darrington			26,280			89,800	15,748		
Edmonds			788,420			892,800	829,578		
Everett			1,925,060			7,628,700	1,827,940		
Gold Bar			39,420			49,100	22,597		
Granite Falls			52,560			82,600	35,785		
Index			0			9,000	2,871		
Lake Stevens			131,400			231,800	106,131		
Lynnwood			683,300			5,995,600	668,721		
Marysville			551,890			1,096,200	458,394		
Mill Creek			243,100			2,191,300	265,755		
Monroe			295,660			761,100	228,893		
Mountlake Terrace			407,350			591,600	281,420		
Mukilteo			374,500			812,600	435,981		
City of Snohomish			170,820			335,800	139,829		
Stanwood			78,840			203,600	81,501		
Sultan			78,840			249,800	54,698		
Woodway			19,710			49,700	56,037		
Total	6,570,160	3,285,080	6,267,930	117,100,000	24,072,000	22,429,600	5,893,932	5,076,920	4,388,341
Spokane County	4,875,660	2,437,830		156,800,000	38,096,000			2,636,216	2,072,078
Airway Heights			97,510			160,200	29,871		
Cheney			204,780			520,500	65,569		
Deer Park			68,260			117,800	27,752		
Fairfield			14,630			45,900	5,332		
Latah			0			11,500	1,432		
Liberty Lake			97,510			0	113,015		
Medical Lake			82,890			112,000	24,276		
Millwood			34,130			327,600	38,698		

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	<u>General Purposes</u>	<u>Unincorp. Services</u>	<u>General Purposes</u>	<u>General Business</u>	<u>New County Tax @ 8%</u>	<u>Max. City Tax Inc. to 8%</u>	<u>City Levy of \$0.25</u>	<u>(Unincorp. Area Only)</u>	<u>(Countywide)</u>
Rockford			9,750			36,600	4,288		
Spangle			4,880			18,700	2,439		
City of Spokane			4,251,580			4,691,700	2,230,482		
Waverly			0			7,000	826		
Total	4,875,660	2,437,830	4,865,920	156,800,000	38,096,000	6,049,500	2,543,979	2,636,216	2,072,078
Stevens County	220,860	110,430		9,300,000	4,928,000			409,069	205,943
Chewelah			52,120			136,800	25,213		
Colville			116,390			403,600	61,312		
Kettle Falls			35,560			34,800	13,919		
Marcus			3,530			1,123	955		
Northport			6,400			19,500	2,530		
Springdale			6,630			28,700	1,859		
Total	220,860	110,430	220,630	9,300,000	4,928,000	624,523	105,788	409,069	205,943
Thurston County	2,509,500	1,254,750		51,900,000	17,392,000			1,718,731	1,303,797
Bucoda			17,570			21,800	3,867		
Lacey			848,210			1,073,800	465,014		
Olympia			1,134,290			2,256,000	739,686		
Rainier			40,150			40,700	12,844		
Tenino			40,150			83,000	15,004		
Tumwater			338,780			866,500	249,504		
Yelm			92,850			242,800	54,843		
Total	2,509,500	1,254,750	2,512,000	51,900,000	17,392,000	4,584,600	1,540,762	1,718,731	1,303,797
Wahkiakum County	18,200	9,100		1,200,000	384,000			56,144	25,389
Cathlamet			18,200			53,400	7,329		
Total	18,200	9,100	18,200	1,200,000	384,000	53,400	7,329	56,144	25,389
Walla Walla County	484,480	242,240		17,300,000	5,360,000			358,487	280,593
College Place			99,320			220,800	60,677		
Prescott			3,880			16,800	2,001		
Waitsburg			15,020			11,500	9,292		
City of Walla Walla			366,260			773,300	271,025		
Total	484,480	242,240	484,480	17,300,000	5,360,000	1,022,400	342,996	358,487	280,593
Whatcom County	1,927,580	963,790		40,300,000	14,144,000			1,493,067	1,215,391
Bellingham			1,397,500			2,258,600	1,122,151		
Blaine			80,960			270,300	101,139		
Everson			40,480			50,500	17,498		
Ferndale			179,260			331,100	118,958		
Lynden			188,900			211,500	143,200		
Nooksack			19,280			16,300	7,667		
Sumas			21,200			31,200	34,797		
Total	1,927,580	963,790	1,927,580	40,300,000	14,144,000	3,169,500	1,545,410	1,493,067	1,215,391

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX		NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)			
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	General Purposes	Unincorp. Services	General Purposes	General Business	New County Tax @ 8%	Max. City Tax Inc. to 8%	City Levy of \$0.25	(Unincorp. Area Only)	(Countywide)
Whitman County	298,200	149,100		6,800,000	2,520,000			189,457	180,233
Albion			5,370			20,400	3,641		
Colfax			24,450			97,000	26,797		
Colton			3,280			33,000	3,794		
Endicott			2,980			18,800	2,105		
Farmington			1,190			6,300	991		
Garfield			5,370			31,200	3,710		
La Crosse			3,280			7,060	2,034		
Lamont			890			6,300	966		
Malden			1,790			6,400	755		
Oakesdale			3,580			12,100	3,102		
Palouse			8,650			41,300	8,287		
Pullman			216,790			635,100	186,757		
Rosalia			5,670			6,600	4,299		
St. John			4,470			45,500	5,342		
Tekoa			7,160			25,400	4,779		
Uniontown			2,680			26,500	3,768		
Total	298,200	149,100	297,600	6,800,000	2,520,000	1,018,960	261,127	189,457	180,233
Yakima County	1,873,960	936,980		76,000,000	13,392,000			1,120,417	984,650
Grandview			114,310			215,700	70,855		
Granger			35,600			30,300	11,287		
Harrah			9,370			11,900	3,599		
Mabton			26,240			465,700	5,708		
Moxee City			11,240			30,700	14,993		
Naches			9,370			69,100	7,016		
Selah			86,200			170,900	93,130		
Sunnyside			191,140			290,500	114,383		
Tieton			16,870			85,500	11,213		
Toppenish			121,810			183,970	53,312		
Union Gap			76,830			294,800	84,521		
Wapato			61,840			87,300	29,602		
City of Yakima			1,079,400			2,054,600	817,154		
Zillah			33,730			103,400	24,437		
Total	1,873,960	936,980	1,873,950	76,000,000	13,392,000	4,094,370	1,341,209	1,120,417	984,650
GRAND TOTAL	74,199,630	37,099,815	73,725,870	1,207,500,000	388,824,000	209,531,770	76,773,336	42,963,686	47,894,902
NOTE: Amounts may not add due to rounding. Estimates based on cities in existence in 2002. Cities located in multiple counties shown by the majority of their population.									
Local sales/use tax estimates assume no state retention (i.e., 1.0%) for administration costs. The distribution formula in Section 301 ignores the existing 85%/15% split of local revenues for sales within cities.									

ESTIMATED LOCAL GOVERNMENT IMPACT OF HB 2098 / SB 6006									
Hypothetical Annual Tax Receipts - Based on Calendar Year 2002									
Assuming Voter-Approval and Adoption at Maximum Rates for All Cities and Counties									
	NEW 0.2% LOCAL SALES/USE TAX - Sec. 301			NEW COUNTY TAX			NEW PROPERTY TAX AUTHORITY - Sec. 302 (2 & 3)		
	County - 40%	County - 20%	City - 40%	ON BUSINESS - Sec. 201	LOCAL TAXES ON UTILITIES - Sec. 202			County Levy of \$0.25	County Levy of \$0.10
	<u>General Purposes</u>	<u>Unincorp. Services</u>	<u>General Purposes</u>	<u>General Business</u>	<u>New County Tax @ 8%</u>	<u>Max. City Tax Inc. to 8%</u>	<u>City Levy of \$0.25</u>	<u>(Unincorp. Area Only)</u>	<u>(Countywide)</u>
Washington State Department of Revenue, Research Division, 3/3/03.									