

The text of this document is an accurate copy of what was filed by the initiative proponent with the Secretary of State for assignment of a serial number. The accuracy of code in amendatory sections has not been verified.

## INITIATIVE 264

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 264 to the Legislature is a true and correct copy as it was received by this office.

AN ACT Relating to transportation financing; amending RCW 82.08.020; and adding new sections.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

### POLICIES AND PURPOSES

NEW SECTION. **Sec. 1.** During these tough economic times, the voters deserve a common sense, mainstream traffic relief alternative to Referendum 51, the politicians' massive tax increase. Politicians have purposely rejected better utilization of existing tax revenues and common sense transportation policies to force voters into accepting their massive tax increase. Politicians still don't get it. Washington taxpayers insist on exhausting all other options before tax increases are even considered. This measure provides voters with a transportation choices and offers safer roads, traffic relief, and legislative accountability without a tax increase.

This measure would require state sales taxes from vehicle purchases be spent on road construction and maintenance.

In order to improve transportation financing, it is essential that more of the state's existing tax revenues be allocated toward our transportation infrastructure. Vehicle purchases generate billions of dollars in sales tax revenue. But instead of paying for roads, these tax revenues subsidize the general fund. That makes no sense. Vehicle taxes should pay for roads. This measure requires state sales taxes generated from vehicle purchases to be spent on road and highway construction and maintenance.

During these tough economic times, the people deserve a common sense, mainstream traffic relief alternative to the politicians' standard tax-and-spend approach. Voters have repeatedly rejected the business-as-usual, the-only-solution-is-a-tax-increase mentality. This measure provides voters with a transportation choice and offers safer safe roads, traffic relief, and legislative accountability without a tax increase. This measure offers voters a common sense, mainstream alternative to Referendum 51, the politicians' massive tax increase<sup>3</sup>.

**REQUIRING SALES TAXES GENERATED FROM VEHICLE PURCHASES TO BE SPENT ON  
ROADS**

**Sec. 2.** RCW 82.08.020 and 2000 2nd sp.s. c 4 s 1 are each amended to read as follows:

(1) There is levied and there shall be collected a {+ state +} tax on each retail sale in this state equal to six and five-tenths percent of the selling price. {+ The state sales tax levied and collected on each motor vehicle retail sale shall be deposited in the motor vehicle fund created in RCW 46.68.070 which is used for road and highway construction and maintenance. For the purpose of this section "motor vehicle" has the meaning provided in RCW 46.04.320, but does not include farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, off-road and non highway vehicles as defined in RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010. +}

(2) There is levied and there shall be collected an additional tax on each retail car rental, regardless of whether the vehicle is licensed in this state, equal to five and nine-tenths percent of the selling price. The revenue collected under this subsection shall be deposited in the multimodal transportation account created in RCW 47.66.070.

(3) The taxes imposed under this chapter shall apply to successive retail sales of the same property.

(4) The rates provided in this section apply to taxes imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

#### **CONSTRUCTION CLAUSE**

NEW SECTION. **Sec. 3.** The provisions of this act are to be liberally construed to effectuate the intent, policies and purposes of this act.

#### **SEVERABILITY CLAUSE**

NEW SECTION. **Sec. 4.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

#### **LEGISLATIVE INTENT**

NEW SECTION. **Sec. 5.** The people have made clear through the passage of numerous initiatives and referenda that taxes need to be reasonable and tax increases should always be a last resort. However, politicians throughout the state of Washington continue to ignore these repeated mandates.

Politicians are reminded:

(1) All political power is vested in the people, as stated in Article I, section 1 of the Washington state Constitution.

(2) The first power reserved by the people is the initiative, as stated in Article II, section 1 of the Washington state Constitution.

(3) When voters approve initiatives, politicians have a moral, ethical and constitutional obligation to fully implement them. When politicians ignore this obligation, they corrupt the term "public servant."

(4) Any attempt to violate the clear intent and spirit of this measure undermines the trust of the people in their government and will increase the likelihood of future tax limitation measures.