

Repeal the trade-in exclusion for boats, trailers, mobile homes & appliances

Description This proposal would repeal the exclusion of trade-in value from retail sales and use tax for boats, trailers, mobile homes and appliances.

Current Law When a consumer purchases tangible personal property, the measure of sales or use tax excludes the value of like-kind property traded in at the time of sale. RCW 82.08.010(1) and 82.12.010(1).

Revenue Impact General Fund Impacts (\$ millions):

# of Impacted Taxpayers	FY 2016	FY 2017	2015-17 Biennium	FY 2018	FY 2019	2017-19 Biennium
100	\$ -	\$ 8.9	\$ 8.9	\$ 10.6	\$ 10.8	\$ 21.5

Notes:

- Estimates assume a July 1, 2016 effective date, representing 11 months of collections for FY 2017.
- Estimates reflect the November 2015 Economic & Revenue Forecast Council revenue forecast.

Expenditure Impact

FY 2016	FY 2017	2015-17 Biennium	FY 2018	FY 2019	2017-19 Biennium
\$ 3,900	\$ 7,600	\$ 11,500	\$ -	\$ -	\$ -

Note:

FY 2016 costs represent initial implementation costs and may include items such as system changes, tax return modifications, and taxpayer education.