

LOCAL TAXES ON PARKING
RCWs 35.57.110, 36.38.040, 36.100.220 and 82.80

Tax Base

1. Commercial Parking Tax (RCW 82.80.030). Parking of vehicles in commercial parking facilities. The tax is either: (1) levied on the parking business and is measured by gross proceeds or the number of stalls available for commercial parking, or (2) levied on the customers who park in the commercial facility and is measured by a flat fee per vehicle or the amount of the charge for parking.
2. Stadium/Exhibition Center Parking Tax (RCW 36.38.040). Charges for parking of vehicles at a parking facility in conjunction with a public stadium/exhibition center.
3. Regional Centers Parking Tax (RCW 35.57.110 and 36.100.220). Charges for parking of vehicles at a parking facility that is owned or leased by a public facility district (PFD) in conjunction with a regional center. The PFD tax takes the place of any other parking tax levied by the city or county in which the facility is located.

Tax Rate

1. Commercial Parking Tax; rates not specified in statute.
2. Stadium/Exhibition Center Parking Tax; rate of 10 percent.
3. Regional Centers Parking Tax; 10 percent.

Levied by

1. Commercial Parking Tax - cities, counties, regional transp. investment districts.
2. Stadium/Exhibition Center Parking Tax - King County.
3. Regional Centers Parking Tax - public facilities districts.

Administration

Owners/operators of commercial parking facilities report to the city or county on a monthly, quarterly, or annual basis. Cities may contract for the administration of the street utility tax. The stadium/exhibition center tax is administered directly by King County. The regional centers tax is collected directly by the PFD which operates the parking facility.

Recent Collections

According to data reported by local governments to the State Auditor via the Local Government Financial Reporting System, three cities and three counties reported a total of \$4.4 million in parking taxes during calendar year 2005.

Distribution of Receipts

Proceeds must be used for local transportation purposes, including street and road improvements, public transportation, and high capacity transit facilities, pursuant to RCW 82.80.070. The stadium/exhibition center parking tax goes to a special account per RCW 43.99N.060 for retirement of bonds for the facilities. The statute does not specify the use of the regional centers parking tax, but presumably the receipts are devoted to any bonds that financed the facility and then to operational expenses.

Exemptions

- tax exempt carpools;
- vehicles with handicapped decals;
- government vehicles;
- publicly owned property, property exempt from leasehold excise tax, and nonprofit organizations are exempt from the street utility tax; and
- street utility tax: low income senior citizens and other low income citizens.

History

Authorizing legislation for the commercial parking taxes was adopted in 1990. The stadium/exhibition center parking tax was authorized in 1997 and approved by the voters of King County in that same year; collections commenced upon completion of the stadium parking facility in December 1999. The regional centers parking tax statutes were adopted in 1999.

Discussion/Major Issues

State and local retail sales tax already applies to charges for parking of vehicles. The sales tax is measured by the final selling price paid by the consumer and is therefore included in the amount of the local parking tax that is included in the price charged by the operator of the parking facility.