

Information and Comparison Data

What is retail sales tax?

Generally, a retail sale is the sale of tangible personal property. It is also the sale of services such as installation, repair, cleaning, altering, improving, construction, and decorating. Other services include improving real or personal property, amusement and recreational activities, lawn maintenance, and physical fitness activities. See Services Subject to Sales Tax for examples of retail services. Further, sales of digital products to consumers are retail sales.

Exempt Food Sales

Sales of food and food ingredients are exempt from retail sales tax. However, prepared foods, dietary supplements, and soft drinks are taxable. To review food definitions, see Special Notices. RCW 82.08.0293; WAC 458-20-244.



Local Agency Sales Tax Amounts

CITY	LOCAL RATE (%)	STATE RATE (%)	TOTAL COMBINED SALES TAX (%)
Bellevue	3.5	6.5	10.0
BOTHELL	3.5	6.5	10.0
DUVALL	2.1	6.5	8.6
KIRKLAND	3.6	6.5	10.1
MONROE*	2.8	6.5	9.3
NORTH BEND	2.4	6.5	8.9
REDMOND	3.5	6.5	10.0
SNOQUALMIE	2.1	6.5	8.6

2019 Rates

**Snohomish County*

Information and Comparison Data Cont.

How will the 0.2% sales tax increase affect to you?

If you purchase taxable goods your effective tax will increase by one dollar (\$1) once you've spent five-hundred dollars (\$500) on taxable items.

Process of Establishment

2013:

- System-wide Roadway Inventory (PMS)
- Preliminary discussions Transportation Benefit District (TBD)

2014

- PMS presented to Council
- TBD Presentation to Council 6/28/14
- TBD Presentation to Council 12/11/14

2015

- TBD Presentation to Council 1/24/15
- Ordinance No. 1186 Adopted 09/15/2015

2019

- After Council deliberations regarding budget it was decided to approach the citizens by placing a measure on the November ballot on funding the TBD with a 0.2% sales tax.



FAQs

What is a TBD?

A “TBD” or Transportation Benefit District is a quasi-municipal corporation and independent taxing district created for the sole purpose of acquiring, construction, improving, providing, and funding transportation improvements within the district. The boundaries of the TBD are identical with the Duvall City limits.

Why a vote?

Implementation of a sales tax based revenue stream for a TBD of up to 0.2% requires a vote of the people (RCW 82.14.0455, RCW 36.73.040(3)(a)), which must be approved by a simple majority of voters.

Are TBD revenues required to be spent as they are collected?

No, unlike impact fees, TBD revenues do not have to be spent in a specified time frame. The governing body must develop a plan that specifies the transportation improvements to be provided or funded by the TBD.

What are TBD Projects?

TBD fees would be used to help pay for pavement management on City arterials and major collectors.

Duvall’s TBD?

With the establishment of a TBD, the City could begin to replace the transportation funding that has been lost over the years, and be better able to preserve, maintain, or expand the City’s transportation infrastructure into the future.

What other requirements should I be aware of?

Revenue rates, once imposed, may not be increased, unless authorized by voter approval. If project costs exceed original cost by more than 20 percent, a public hearing must be held to solicit public comment regarding how the cost change should be resolved. The TBD must issue an annual report to include the status of project costs, revenues, expenditures, and construction schedules. The TBD must be dissolved upon completion of the project(s) and the payment of any debt service.

Revenue Estimates from a TBD

Annual Revenue Estimates from a TBD

By Tabs:

Registered Vehicles	Tab Fee Amount	Estimated Revenue:
5,666	\$ 20	\$ 113,315

By percentage added on to sales tax:

Sales Tax (2/10^{ths} of one percent, 0.002) [Estimate]

\$ 249,762

Photograph courtesy of Jason Coon



Expenses

2014 Costs

Repair	Percent of Roads	Total	Cost	Total Cost	Cost / Year
Crack Seal	75%	381,610 / LF	\$ 1.00	\$ 381,610	\$ 38,161*
Overlay	13%	65,667 / SY	\$ 15.00	\$ 985,005	\$ 98,501
Reconstruction	5%	25,120 / SY	\$ 45.00	\$ 1,130,400	\$ 113,040
Total	93%	472,397		\$ 2,497,015	\$ 249,702

2019 Update

Repair	Percent of roads	Total	Cost	Total Cost	Cost/Year
Crack Seal	75%	355,210 / LF	\$ 1.25	\$ 444,012	\$ 44,401
Overlay	13%	65,667 / SY	\$ 18.00	\$ 1,182,006	\$ 118,201
Reconstruction	5%	25,120 / SY	\$ 45.00	\$ 1,130,400	\$ 113,040
Total	93%	445,997		\$ 2,756,418	\$ 275,642

Repair Type

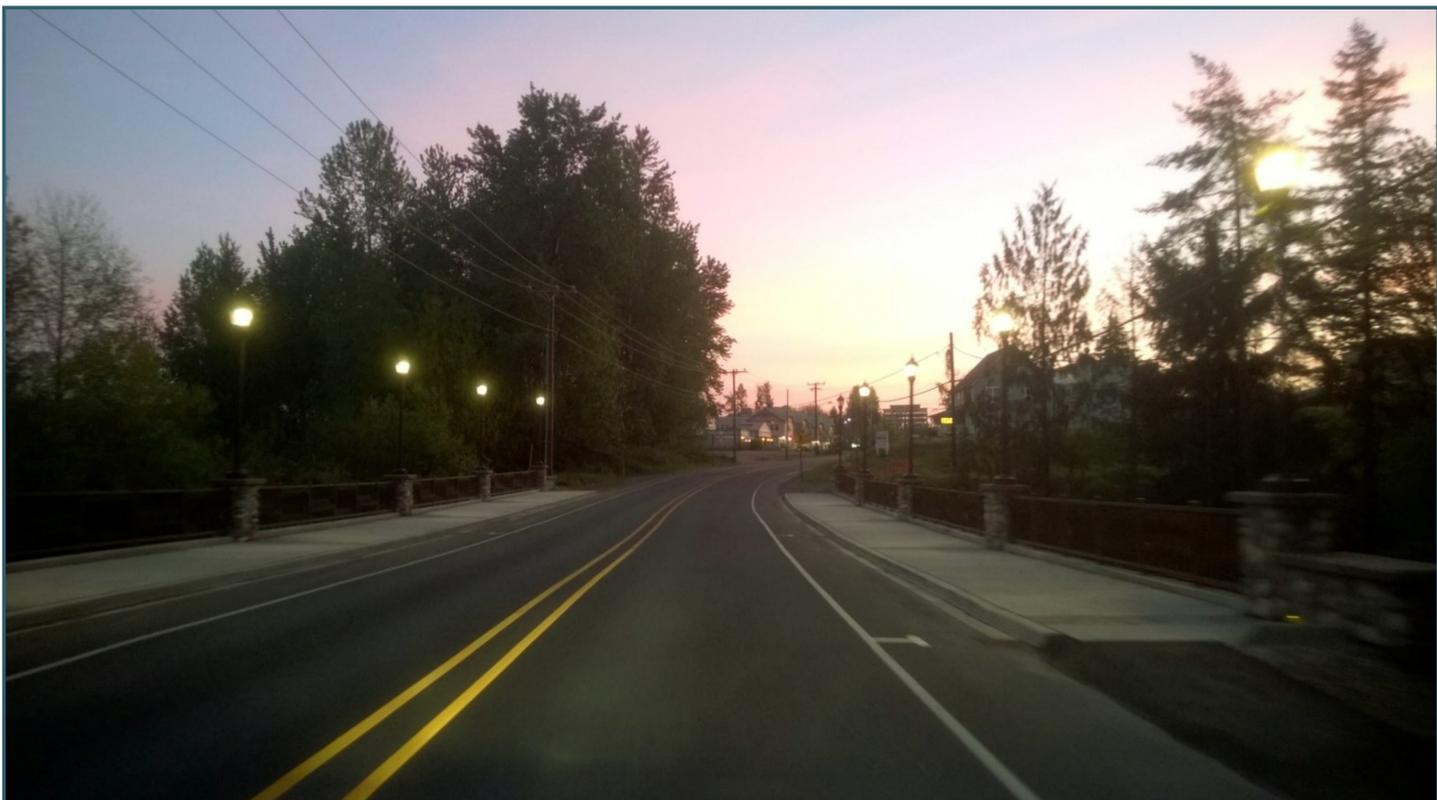
Crack Sealing



Overlay



Reconstruction



Pavement Conditions



Grade A: Main Street



Grade A: Main Street



Grade B: Bruett Road / 273rd



Grade B: Bruett Road / 273rd



Grade C: NE 143rd Pl



Grade C: NE 143rd Pl



Grade E: Batten Road



Grade E: Batten Road