

Chapter 9

Tax and Fee Information

9.1 APPROVAL FOR NEW OR INCREASED TAXES AND FEES

Whenever possible, agencies are encouraged to request new or increased fees to make programs self supporting. This applies both to programs currently not supported by fees as well as those partially supported by fees.

Tax and fee increases

As required by Chapter 43.135 RCW (Initiative 960 and Initiative 1053), all agency tax and fee increases must receive legislative approval prior to implementation. This applies to all fees regardless of whether the Legislature provided an agency with statutory authority to administratively set fees.

New tax or fee requests

Requests for new taxes or fees require legislation and should be submitted through the agency request legislation process, as well as included in the budget submittal. Specific instructions for agency request legislation will be issued by the Governor's Office at a latter date.

Justification for new or increased tax or fee requests

Any taxes or fees expected to be initiated or increased during the 2013-15 biennium should be justified as part of the 2013-15 budget submittal, either in the decision package related to the increased expenditure request, or in its own decision package if no expenditure increase is being requested. The decision package should include the following data:

1. Tax or fee name
2. Current tax or fee amount (FY 2013)
3. Proposed amount
 - ◆ FY 2014
 - ◆ FY 2015
4. Incremental change for each year
 - ◆ FY 2014
 - ◆ FY 2015
5. Expected implementation date
6. Estimated additional revenue generated by increase
 - ◆ FY 2014
 - ◆ FY 2015
7. Justification for the increase and discussion of consequences of not increasing the tax or fee
8. Indication of any changes in who pays
9. Indication of any changes in methodology for determining the tax or fee
10. Recommendation Summary code for the related expenditure request, if tied to a budget request,
11. Alternatives considered to an increase
12. Indication of whether the fee increase requires a statutory change, i.e., a separate bill. (If yes, a proposal should be submitted as part of the agency request legislation process.)

9.2 SUBMITTAL PROCESS

Excel spread sheet

An Excel template, available at [http://www.ofm.wa.gov/submitting-budget-requests/submitting-budget-requests-excel-template](#) captures the requested new, continued, or increased fee data. Instructions for completing the form and an example are also provided. The spreadsheet is a summary of the information provided in your decision package and should be shown at the level for which you need legislative authority. For example, new and renewal licenses should be shown together on the spreadsheet, but if they have different rates, should be detailed in the decision package.

Include fee information as part of agency budget request

Both the decision package and the Excel spreadsheet should be printed and included as part of the agency budget request paper document. In addition, an electronic copy of the Excel spreadsheet should be sent to: Kay.Baxstrom@ofm.wa.gov

It is recognized that some fee increases will not match up to an expenditure change on the Recommendation Summary (e.g., fees necessary to support the 2013-15 carry-forward level, fees that support non-budgeted funds). Regardless, justification for all fee increases must be submitted as part of the agency budget request document.