

Jen Scharber

From: Eric J. Lowell <elowell@mrsc.org>
Sent: Friday, March 24, 2023 10:14 AM
To: Jen Scharber
Subject: RE: Affordable Housing and Related Services Sales Tax

Jen,

I thought I remembered a similar question from Tenino in the past. I'm assuming this is actually related to the Affordable Housing and Related Services sales tax. Here was the information that was given in 2021 to Kayleen and Wayne:

INQUIRY: We are establishing a home fund with revenue generated from sales tax, where can I find info on what that money can be used for? Wayne

RESPONSE: I spoke with Kayleen yesterday regarding this topic. In my discussion with her, she indicated that when she was talking about "a home fund" she was talking about revenue from the Affordable Housing and Related Services sales tax. The Affordable Housing and Related Services sales tax is authorized by RCW [82.14.530](#). You can find a discussion of the Affordable Housing and Related Services sales tax in our [Revenue Guide for Washington Cities and Towns](#) on page 68. The guide includes a discussion of the sales tax which is restricted as follows:

"At least 60% of the revenue must be used for constructing affordable housing, constructing mental and behavioral health-related facilities, or funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided. The affordable housing and facilities may only be provided to people within specified population groups whose income is 60% or less of the county median income. For specific eligibility language, see RCW 82.14.530(2)(b)."

As it states in the revenue guide, I would recommend reviewing section 2(b) of the statute.

Let me know if you have further questions regarding this inquiry.

Regards,

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