
HOUSE BILL 2440

State of Washington

54th Legislature

1996 Regular Session

By Representatives Schoesler, Sheldon, Johnson, Brown, Honeyford, Grant, Sheahan, McMorris, Boldt, Quall, Morris, Chappell, Campbell, Hymes, Brumsickle, Mastin, Benton, Foreman, Lisk, Crouse, Smith, Thompson, Mulliken and Kessler

Read first time 01/10/96. Referred to Committee on Energy & Utilities.

1 AN ACT Relating to excise taxation of low-density light and power
2 businesses; amending RCW 82.16.053; and providing an effective date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 82.16.053 and 1994 c 236 s 1 are each amended to read
5 as follows:

6 (1) In computing tax under this chapter, a light and power business
7 may deduct from gross income the lesser of the amounts determined under
8 subsections (2) through (4) of this section.

9 (2)(a) (~~Twenty-five~~) Fifty percent of wholesale power cost paid
10 during the reporting period, if the light and power business has fewer
11 than five and one-half customers per mile of line.

12 (b) (~~Twenty~~) Forty percent of wholesale power cost paid during
13 the reporting period, if the light and power business has more than
14 five and one-half but less than eleven customers per mile.

15 (c) (~~Fifteen~~) Thirty percent of the wholesale power cost paid
16 during the reporting period, if the light and power business has more
17 than eleven but less than seventeen customers per mile of line.

18 (d) Zero if the light and power business has more than seventeen
19 customers per mile of line.

1 (3) Wholesale power cost multiplied by the percentage by which the
2 average retail electric power rates for the light and power business
3 exceed the state average electric power rate. If more than fifty
4 percent of the kilowatt hours sold by a light and power business are
5 sold to irrigators, then only sales to nonirrigators shall be used to
6 calculate the average electric power rate for that light and power
7 business. For purposes of this subsection, the department shall
8 determine state average electric power rate each year based on the most
9 recent available data and shall inform taxpayers of its determination.

10 (4) (~~Two~~) Four hundred thousand dollars per month.

11 NEW SECTION. **Sec. 2.** This act shall take effect July 1, 1996.

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