
HOUSE BILL 2593

State of Washington

54th Legislature

1996 Regular Session

By Representatives Schoesler, Mason, B. Thomas and Boldt; by request of Department of Revenue

Read first time 01/15/96. Referred to Committee on Finance.

1 AN ACT Relating to taxation of railroad-related businesses;
2 amending RCW 82.16.010 and 82.16.020; and declaring an emergency.

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

4 **Sec. 1.** RCW 82.16.010 and 1994 c 163 s 4 are each amended to read
5 as follows:

6 For the purposes of this chapter, unless otherwise required by the
7 context:

8 (1) "Railroad business" means the business of operating any
9 railroad, by whatever power operated, for public use in the conveyance
10 of persons or property for hire. It shall not, however, include any
11 business herein defined as an urban transportation business.

12 (2) "Express business" means the business of carrying property for
13 public hire on the line of any common carrier operated in this state,
14 when such common carrier is not owned or leased by the person engaging
15 in such business.

16 (3) "Railroad car business" means the business of (~~renting,~~
17 ~~leasing or~~) operating stock cars, furniture cars, refrigerator cars,
18 fruit cars, poultry cars, tank cars, sleeping cars, parlor cars, buffet
19 cars, tourist cars, or any other kinds of cars used for transportation

1 of property or persons upon the line of any railroad operated in this
2 state when such railroad is not owned or leased by the person engaging
3 in such business.

4 (4) "Water distribution business" means the business of operating
5 a plant or system for the distribution of water for hire or sale.

6 (5) "Light and power business" means the business of operating a
7 plant or system for the generation, production or distribution of
8 electrical energy for hire or sale and/or for the wheeling of
9 electricity for others.

10 (6) "Telegraph business" means the business of affording
11 telegraphic communication for hire.

12 (7) "Gas distribution business" means the business of operating a
13 plant or system for the production or distribution for hire or sale of
14 gas, whether manufactured or natural.

15 (8) "Motor transportation business" means the business (except
16 urban transportation business) of operating any motor propelled vehicle
17 by which persons or property of others are conveyed for hire, and
18 includes, but is not limited to, the operation of any motor propelled
19 vehicle as an auto transportation company (except urban transportation
20 business), common carrier or contract carrier as defined by RCW
21 81.68.010 and 81.80.010: PROVIDED, That "motor transportation
22 business" shall not mean or include the transportation of logs or other
23 forest products exclusively upon private roads or private highways.

24 (9) "Urban transportation business" means the business of operating
25 any vehicle for public use in the conveyance of persons or property for
26 hire, insofar as (a) operating entirely within the corporate limits of
27 any city or town, or within five miles of the corporate limits thereof,
28 or (b) operating entirely within and between cities and towns whose
29 corporate limits are not more than five miles apart or within five
30 miles of the corporate limits of either thereof. Included herein, but
31 without limiting the scope hereof, is the business of operating
32 passenger vehicles of every type and also the business of operating
33 cartage, pickup, or delivery services, including in such services the
34 collection and distribution of property arriving from or destined to a
35 point within or without the state, whether or not such collection or
36 distribution be made by the person performing a local or interstate
37 line-haul of such property.

38 (10) "Public service business" means any of the businesses defined
39 in subdivisions (1), (2), (3), (4), (5), (6), (7), (8), and (9) or any

1 business subject to control by the state, or having the powers of
2 eminent domain and the duties incident thereto, or any business
3 hereafter declared by the legislature to be of a public service nature,
4 except telephone business as defined in RCW 82.04.065 and low-level
5 radioactive waste site operating companies as redefined in RCW
6 81.04.010. It includes, among others, without limiting the scope
7 hereof: Airplane transportation, boom, dock, ferry, pipe line, toll
8 bridge, toll logging road, water transportation and wharf businesses.

9 (11) "Tugboat business" means the business of operating tugboats,
10 towboats, wharf boats or similar vessels in the towing or pushing of
11 vessels, barges or rafts for hire.

12 (12) "Gross income" means the value proceeding or accruing from the
13 performance of the particular public service or transportation business
14 involved, including operations incidental thereto, but without any
15 deduction on account of the cost of the commodity furnished or sold,
16 the cost of materials used, labor costs, interest, discount, delivery
17 costs, taxes, or any other expense whatsoever paid or accrued and
18 without any deduction on account of losses.

19 (13) The meaning attributed, in chapter 82.04 RCW, to the term "tax
20 year," "person," "value proceeding or accruing," "business," "engaging
21 in business," "in this state," "within this state," "cash discount" and
22 "successor" shall apply equally in the provisions of this chapter.

23 **Sec. 2.** RCW 82.16.020 and 1989 c 302 s 204 are each amended to
24 read as follows:

25 (1) There is levied and there shall be collected from every person
26 a tax for the act or privilege of engaging within this state in any one
27 or more of the businesses herein mentioned. The tax shall be equal to
28 the gross income of the business, multiplied by the rate set out after
29 the business, as follows:

30 (a) (~~(Railroad,~~) Express, (~~(railroad-car,~~) sewerage collection,
31 and telegraph businesses: Three and six-tenths percent;

32 (b) Light and power business: Three and sixty-two one-hundredths
33 percent;

34 (c) Gas distribution business: Three and six-tenths percent;

35 (d) Urban transportation business: Six-tenths of one percent;

36 (e) Vessels under sixty-five feet in length, except tugboats,
37 operating upon the waters within the state: Six-tenths of one percent;

1 (f) Motor transportation, railroad, railroad car, and tugboat
2 businesses, and all public service businesses other than ones mentioned
3 above: One and eight-tenths of one percent;

4 (g) Water distribution business: Four and seven-tenths percent.

5 (2) An additional tax is imposed equal to the rate specified in RCW
6 82.02.030 multiplied by the tax payable under subsection (1) of this
7 section.

8 (3) Twenty percent of the moneys collected under subsection (1) of
9 this section on water distribution businesses and sixty percent of the
10 moneys collected under subsection (1) of this section on sewerage
11 collection businesses shall be deposited in the public works assistance
12 account created in RCW 43.155.050.

13 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
14 preservation of the public peace, health, or safety, or support of the
15 state government and its existing public institutions, and shall take
16 effect immediately.

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