
HOUSE BILL 2782

State of Washington 54th Legislature 1996 Regular Session

By Representatives Costa, Scott and Chappell

Read first time 01/19/96. Referred to Committee on Finance.

1 AN ACT Relating to sales and use tax exemptions for bulk food
2 products sold through vending machines; amending RCW 82.08.0293 and
3 82.12.0293; and providing an effective date.

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

5 **Sec. 1.** RCW 82.08.0293 and 1988 c 103 s 1 are each amended to read
6 as follows:

7 (1) The tax levied by RCW 82.08.020 shall not apply to sales of
8 food products for human consumption.

9 "Food products" include cereals and cereal products, oleomargarine,
10 meat and meat products including livestock sold for personal
11 consumption, fish and fish products, eggs and egg products, vegetables
12 and vegetable products, fruit and fruit products, spices and salt,
13 sugar and sugar products, coffee and coffee substitutes, tea, cocoa and
14 cocoa products.

15 "Food products" include milk and milk products, milk shakes, malted
16 milks, and any other similar type beverages which are composed at least
17 in part of milk or a milk product and which require the use of milk or
18 a milk product in their preparation.

1 "Food products" include all fruit juices, vegetable juices, and
2 other beverages except bottled water, spirituous, malt or vinous
3 liquors or carbonated beverages, whether liquid or frozen.

4 "Food products" do not include medicines and preparations in
5 liquid, powdered, granular, tablet, capsule, lozenge, and pill form
6 sold as dietary supplements or adjuncts.

7 (2) The exemption of "food products" provided for in subsection (1)
8 of this section shall not apply: (a) When the food products are
9 ordinarily sold for immediate consumption on or near a location at
10 which parking facilities are provided primarily for the use of patrons
11 in consuming the products purchased at the location, even though such
12 products are sold on a "takeout" or "to go" order and are actually
13 packaged or wrapped and taken from the premises of the retailer, or (b)
14 when the food products are sold for consumption within a place, the
15 entrance to which is subject to an admission charge, except for
16 national and state parks and monuments, or (c) to a food product, when
17 sold by the retail vendor, which by law must be handled on the vendor's
18 premises by a person with a food and beverage service worker's permit
19 under RCW 69.06.010, including but not be limited to sandwiches
20 prepared or chicken cooked on the premises, deli trays, home-delivered
21 pizzas or meals, and salad bars but excluding:

22 (I) Raw meat prepared by persons who slaughter animals, including
23 fish and fowl, or dress or wrap slaughtered raw meat such as fish
24 mongers, butchers, or meat wrappers;

25 (ii) Meat and cheese sliced and/or wrapped, in any quantity
26 determined by the buyer, sold by vendors such as meat markets,
27 delicatessens, and grocery stores;

28 (iii) Bakeries which only sell baked goods;

29 (iv) Combination bakery businesses, as prescribed by rule of the
30 department, to the extent that sales of baked goods are separately
31 accounted for and the baked goods claimed for exemption are not sold as
32 part of meals or with beverages in unsealed containers; or

33 (v) Bulk food products sold from bins or barrels, or through
34 vending machines, including but not limited to flour, fruits,
35 vegetables, sugar, salt, candy, chips, and cocoa.

36 (3) Notwithstanding anything in this section to the contrary, the
37 exemption of "food products" provided in this section shall apply to
38 food products which are furnished, prepared, or served as meals:

1 (a) Under a state administered nutrition program for the aged as
2 provided for in the Older Americans Act (P.L. 95-478 Title III) and RCW
3 74.38.040(6); or

4 (b) Which are provided to senior citizens, disabled persons, or
5 low-income persons by a not-for-profit organization organized under
6 chapter 24.03 or 24.12 RCW.

7 (4) Subsection (1) of this section notwithstanding, the retail sale
8 of food products is subject to sales tax under RCW 82.08.020 if the
9 food products are sold through a vending machine, and in this case the
10 selling price for purposes of RCW 82.08.020 is fifty-seven percent of
11 the gross receipts.

12 This subsection does not apply to bulk food products or to hot
13 prepared food products, other than food products which are heated after
14 they have been dispensed from the vending machine.

15 For tax collected under this subsection, the requirements that the
16 tax be collected from the buyer and that the amount of tax be stated as
17 a separate item are waived.

18 **Sec. 2.** RCW 82.12.0293 and 1988 c 103 s 2 are each amended to read
19 as follows:

20 (1) The provisions of this chapter shall not apply in respect to
21 the use of food products for human consumption.

22 "Food products" include cereals and cereal products, oleomargarine,
23 meat and meat products including livestock sold for personal
24 consumption, fish and fish products, eggs and egg products, vegetables
25 and vegetable products, fruit and fruit products, spices and salt,
26 sugar and sugar products, coffee and coffee substitutes, tea, cocoa and
27 cocoa products.

28 "Food products" include milk and milk products, milk shakes, malted
29 milks, and any other similar type beverages which are composed at least
30 in part of milk or a milk product and which require the use of milk or
31 a milk product in their preparation.

32 "Food products" include all fruit juices, vegetable juices, and
33 other beverages except bottled water, spirituous, malt or vinous
34 liquors or carbonated beverages, whether liquid or frozen.

35 "Food products" do not include medicines and preparations in
36 liquid, powdered, granular, tablet, capsule, lozenge, and pill form
37 sold as dietary supplements or adjuncts.

1 (2) The exemption of "food products" provided for in subsection (1)
2 of this section shall not apply: (a) When the food products are
3 ordinarily sold for immediate consumption on or near a location at
4 which parking facilities are provided primarily for the use of patrons
5 in consuming the products purchased at the location, even though such
6 products are sold on a "takeout" or "to go" order and are actually
7 packaged or wrapped and taken from the premises of the retailer, or (b)
8 when the food products are sold for consumption within a place, the
9 entrance to which is subject to an admission charge, except for
10 national and state parks and monuments, or (c) to a food product, when
11 sold by the retail vendor, which by law must be handled on the vendor's
12 premises by a person with a food and beverage service worker's permit
13 under RCW 69.06.010, including but not be limited to sandwiches
14 prepared or chicken cooked on the premises, deli trays, home-delivered
15 pizzas or meals, and salad bars but excluding:

16 (I) Raw meat prepared by persons who slaughter animals, including
17 fish and fowl, or dress or wrap slaughtered raw meat such as fish
18 mongers, butchers, or meat wrappers;

19 (ii) Meat and cheese sliced and/or wrapped, in any quantity
20 determined by the buyer, sold by vendors such as meat markets,
21 delicatessens, and grocery stores;

22 (iii) Bakeries which only sell baked goods;

23 (iv) Combination bakery businesses, as prescribed by rule of the
24 department, to the extent that sales of baked goods are separately
25 accounted for and the baked goods claimed for exemption are not sold as
26 part of meals or with beverages in unsealed containers; or

27 (v) Bulk food products sold from bins or barrels, or through
28 vending machines, including but not limited to flour, fruits,
29 vegetables, sugar, salt, candy, chips, and cocoa.

30 (3) Notwithstanding anything in this section to the contrary, the
31 exemption of "food products" provided in this section shall apply to
32 food products which are furnished, prepared, or served as meals:

33 (a) Under a state administered nutrition program for the aged as
34 provided for in the Older Americans Act (P.L. 95-478 Title III) and RCW
35 74.38.040(6); or

36 (b) Which are provided to senior citizens, disabled persons, or
37 low-income persons by a not-for-profit organization organized under
38 chapter 24.03 or 24.12 RCW.

1 NEW SECTION. **Sec. 3.** This act shall take effect July 1, 1996.

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