HOUSE BILL 2593

Chapter 150, Laws of 1996

54th Legislature
1996 Regular Session

RAILROAD-RELATED BUSINESSES--TAX RATES LOWERED

EFFECTIVE DATE: 3/25/96

Passed by the House February 9, 1996
Yeas 91    Nays 0

Passed by the Senate March 7, 1996
Yeas 49    Nays 0

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is HOUSE BILL 2593 as passed by the House of Representatives and the Senate on the dates hereon set forth.

JOEL PRITCHARD
President of the Senate

TIMOTHY A. MARTIN
Chief Clerk

MIKE LOWRY
Governor of the State of Washington

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

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

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

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

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

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

(3) "Railroad car business" means the business of ((renting, leasing or)) operating stock cars, furniture cars, refrigerator cars, fruit cars, poultry cars, tank cars, sleeping cars, parlor cars, buffet cars, tourist cars, or any other kinds of cars used for transportation
of property or persons upon the line of any railroad operated in this
state when such railroad is not owned or leased by the person engaging
in such business.

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

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

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

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

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

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

(10) "Public service business" means any of the businesses defined
in subdivisions (1), (2), (3), (4), (5), (6), (7), (8), and (9) or any
business subject to control by the state, or having the powers of
eminent domain and the duties incident thereto, or any business
hereafter declared by the legislature to be of a public service nature,
except telephone business as defined in RCW 82.04.065 and low-level
radioactive waste site operating companies as redefined in RCW
81.04.010. It includes, among others, without limiting the scope
hereof: Airplane transportation, boom, dock, ferry, pipe line, toll
bridge, toll logging road, water transportation and wharf businesses.

(11) "Tugboat business" means the business of operating tugboats,
towboats, wharf boats or similar vessels in the towing or pushing of
vessels, barges or rafts for hire.
(12) "Gross income" means the value proceeding or accruing from the
performance of the particular public service or transportation business
involved, including operations incidental thereto, but without any
deduction on account of the cost of the commodity furnished or sold,
the cost of materials used, labor costs, interest, discount, delivery
costs, taxes, or any other expense whatsoever paid or accrued and
without any deduction on account of losses.

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

Sec. 2. RCW 82.16.020 and 1989 c 302 s 204 are each amended to
read as follows:
(1) There is levied and there shall be collected from every person
a tax for the act or privilege of engaging within this state in any one
or more of the businesses herein mentioned. The tax shall be equal to
the gross income of the business, multiplied by the rate set out after
the business, as follows:
(a) ((Railroad,)) Express, ((railroad car,)) sewerage collection,
and telegraph businesses: Three and six-tenths percent;
(b) Light and power business: Three and sixty-two one-hundredths
percent;
(c) Gas distribution business: Three and six-tenths percent;
(d) Urban transportation business: Six-tenths of one percent;
(e) Vessels under sixty-five feet in length, except tugboats,
operating upon the waters within the state: Six-tenths of one percent;
(f) Motor transportation, railroad, railroad car, and tugboat businesses, and all public service businesses other than ones mentioned above: One and eight-tenths of one percent;

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

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

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

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

Passed the House February 9, 1996.
Passed the Senate March 7, 1996.
Approved by the Governor March 25, 1996.
Filed in Office of Secretary of State March 25, 1996.