

1 5195 AMH FIN H3151.1

2 **SB 5195** - H COMM AMD **ADOPTED 4-14-97**  
3 By Committee on Finance

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW  
8 to read as follows:

9 (1) For the purposes of this section, "qualifying discount program"  
10 means a membership program, club, or plan that entitles the member to  
11 discounts on services or products sold by others. The term does not  
12 include any discount program which in part or in total entitles the  
13 member to discounts on services or products sold by the seller of the  
14 membership or an affiliate of the seller of the membership.  
15 "Affiliate," for the purposes of this section, means any person who  
16 directly, or indirectly through one or more intermediaries, controls,  
17 or is controlled by, or is under common control with, the seller.

18 (2) Persons selling memberships in a qualifying discount program  
19 are not subject to tax under this chapter on that portion of the  
20 membership sales where the seller delivers the membership materials to  
21 the purchaser who receives them at a point outside this state.

22 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
23 preservation of the public peace, health, or safety, or support of the  
24 state government and its existing public institutions, and takes effect  
25 July 1, 1997."

26 Correct the title accordingly.

--- END ---