

HOUSE BILL REPORT

HB 2969

As Reported By House Committee On:

Finance

Title: An act relating to sales and use tax exemption for gun safes.

Brief Description: Providing a sales and use tax exemption for gun safes.

Sponsors: Representatives Carrell, Sheahan, B. Thomas, Robertson, Sterk, Sherstad, McMorris, Backlund, Ballasiotes, Talcott, DeBolt, Alexander, Boldt, Zellinsky, Pennington, Mitchell, Huff, K. Schmidt, Dyer, Bush, Dunn, Schoesler, Smith, D. Sommers, Dunshee and McCune.

Brief History:

Committee Activity:

Finance: 2/3/98, 2/4/98 [DP].

HOUSE COMMITTEE ON FINANCE

Majority Report: Do pass. Signed by 13 members: Representatives B. Thomas, Chairman; Carrell, Vice Chairman; Dunshee, Ranking Minority Member; Dickerson, Assistant Ranking Minority Member; Boldt; Butler; Conway; Kastama; Mason; Pennington; Schoesler; Thompson and Van Luven.

Minority Report: Do not pass. Signed by 1 member: Representative Mulliken, Vice Chairman.

Staff: Linda Brooks (786-7153).

Background: The sales tax is imposed on retail sales of most items of tangible personal property and some services. The state tax rate is 6.5 percent and is applied to the selling price of the article or service. In addition, local sales taxes apply. The total tax rate is between 7 percent and 8.6 percent, depending on location. Sales tax applies when items are purchased at retail in state. Sales tax is paid by the purchaser and collected by the seller.

Use tax is imposed on the use of an item in this state, when the acquisition of the item has not been subject to sales tax. Use tax applies to items purchased from sellers who do not collect sales tax, items acquired from out-of-state, and items produced by the

person using the item. Use tax is equal to the sales tax rate multiplied by the value of the property used. Use tax is paid directly to the Department of Revenue.

Gun safes are enclosures specifically designed or modified for the purpose of storing firearms and equipped with locks or similar devices which prevent the unauthorized use of the firearms.

Summary of Bill: Gun safes are exempt from sales and use taxes.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 1998.

Testimony For: This bill encourages persons to store guns more safely without imposing a mandate. Encouraging the use of gun safes also serves to prevent crime, since the safes help to prevent the unauthorized use of guns. Encouraging the use of gun safes is preferable to encouraging the use of trigger lock devices, as accidental discharges sometimes occur with trigger locks. Accidental discharges are not a problem with gun safes.

Testimony Against: None.

Testified: Representative Carrell, sponsor; Joe Waldron, Gun Owners' Action League (pro); and Al Woodbridge, Washington State Rifle and Pistol Association (pro).