
SENATE BILL 5721

State of Washington 55th Legislature 1997 Regular Session

By Senators Anderson, Spanel and McDonald

Read first time 02/10/97. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to bare-boat charters; amending RCW 19.138.021 and
2 84.12.200; adding new sections to chapter 82.04 RCW; adding new
3 sections to chapter 82.08 RCW; and adding new sections to chapter 82.12
4 RCW.

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

6 **Sec. 1.** RCW 19.138.021 and 1996 c 180 s 1 are each amended to read
7 as follows:

8 Unless the context clearly requires otherwise, the definitions in
9 this section apply throughout this chapter.

10 (1) "Department" means the department of licensing.

11 (2) "Director" means the director of licensing or the director's
12 designee.

13 (3) "Seller of travel" means a person, firm, or corporation both
14 inside and outside the state of Washington, who transacts business with
15 Washington consumers for travel services.

16 (a) "Seller of travel" includes a travel agent and any person who
17 is an independent contractor or outside agent for a travel agency or
18 other seller of travel whose principal duties include consulting with
19 and advising persons concerning travel arrangements or accommodations

1 in the conduct or administration of its business. If a seller of
2 travel is employed by a seller of travel who is registered under this
3 chapter, the employee need not also be registered.

4 (b) "Seller of travel" does not include:

5 (i) An air carrier;

6 (ii) An owner or operator of a vessel, including an ocean common
7 carrier as defined in 46 U.S.C. App. 1702(18), an owner or charterer of
8 a vessel that is required to establish its financial responsibility in
9 accordance with the requirements of the federal maritime commission, 46
10 U.S.C. App. 817 (e), and a steamboat company as defined in RCW
11 84.12.200 whether or not operating over and upon the waters of this
12 state;

13 (iii) A motor carrier;

14 (iv) A rail carrier;

15 (v) A charter party carrier of passengers as defined in RCW
16 81.70.020;

17 (vi) An auto transportation company as defined in RCW 81.68.010;

18 (vii) A hotel or other lodging accommodation;

19 (viii) An affiliate of any person or entity described in (i)
20 through (vii) of this subsection (3)(b) that is primarily engaged in
21 the sale of travel services provided by the person or entity. For
22 purposes of this subsection (3)(b)(viii), an "affiliate" means a person
23 or entity owning, owned by, or under common ownership, with "owning,"
24 "owned," and "ownership" referring to equity holdings of at least
25 eighty percent;

26 (ix) Direct providers of transportation by air, sea, or ground, or
27 hotel or other lodging accommodations who do not book or arrange any
28 other travel services; or

29 (x) A bare-boat charter boat owner or operator, or a bare-boat
30 charter boat company.

31 (4) "Travel services" includes transportation by air, sea, or
32 ground, hotel or any lodging accommodations, package tours, or vouchers
33 or coupons to be redeemed for future travel or accommodations for a
34 fee, commission, or other valuable consideration.

35 (5) "Advertisement" includes, but is not limited to, a written or
36 graphic representation in a card, brochure, newspaper, magazine,
37 directory listing, or display, and oral, written, or graphic
38 representations made by radio, television, or cable transmission that
39 relates to travel services.

1 (6) "Transacts business with Washington consumers" means to
2 directly offer or sell travel services to Washington consumers,
3 including the placement of advertising in media based in the state of
4 Washington or that is primarily directed to Washington residents.
5 Advertising placed in national print or electronic media alone does not
6 constitute "transacting business with Washington consumers." Those
7 entities who only wholesale travel services are not "transacting
8 business with Washington consumers" for the purposes of this chapter.

9 **Sec. 2.** RCW 84.12.200 and 1994 c 124 s 13 are each amended to read
10 as follows:

11 For the purposes of this chapter and unless otherwise required by
12 the context:

13 (1) "Department" without other designation means the department of
14 revenue of the state of Washington.

15 (2) "Railroad company" means and includes any person owning or
16 operating a railroad, street railway, suburban railroad or interurban
17 railroad in this state, whether its line of railroad be maintained at
18 the surface, or above or below the surface of the earth, or by whatever
19 power its vehicles are transported; or owning any station, depot,
20 terminal or bridge for railroad purposes, as owner, lessee or
21 otherwise.

22 (3) "Airplane company" means and includes any person owning,
23 controlling, operating or managing real or personal property, used or
24 to be used for or in connection with or to facilitate the conveyance
25 and transportation of persons and/or property by aircraft, and engaged
26 in the business of transporting persons and/or property for
27 compensation, as owner, lessee or otherwise.

28 (4) "Electric light and power company" means and includes any
29 person owning, controlling, operating or managing real or personal
30 property, used or to be used for or in connection with or to facilitate
31 the generation, transmission or distribution of electricity in this
32 state, and engaged in the business of furnishing, transmitting,
33 distributing or generating electrical energy for light, heat or power
34 for compensation as owner, lessee or otherwise.

35 (5) "Telegraph company" means and includes any person owning,
36 controlling, operating or managing any telegraph or cable line in this
37 state, with appliances for the transmission of messages, and engaged in

1 the business of furnishing telegraph service for compensation, as
2 owner, lessee or otherwise.

3 (6) "Telephone company" means and includes any person owning,
4 controlling, operating or managing real or personal property, used or
5 to be used for or in connection with or to facilitate the transmission
6 of communication by telephone in this state-owned or controlled
7 exchanges and/or switchboards, and engaged in the business of
8 furnishing telephonic communication for compensation as owner, lessee
9 or otherwise.

10 (7) "Gas company" means and includes any person owning,
11 controlling, operating or managing real or personal property, used or
12 to be used for or in connection with or to facilitate the manufacture,
13 transportation, or distribution of natural or manufactured gas in this
14 state, and engaged for compensation in the business of furnishing gas
15 for light, heat, power or other use, as owner, lessee or otherwise.

16 (8) "Pipe line company" means and includes any person owning,
17 controlling, operating or managing real or personal property, used or
18 to be used for or in connection with or to facilitate the conveyance or
19 transportation of oils, natural or manufactured gas and/or other
20 substances, except water, by pipe line in this state, and engaged in
21 such business for compensation, as owner, lessee or otherwise.

22 (9) "Steamboat company" means and includes any person owning,
23 controlling, operating or managing real or personal property, used or
24 to be used for or in connection with or to facilitate the conveyance
25 and transportation of persons and/or property by vessel or ferry, upon
26 the waters within this state, including the rivers and lakes and Puget
27 Sound, between fixed termini or over a regular route, and engaged in
28 the business of transporting persons and/or property for compensation
29 as owner, lessee or otherwise, except a bare-boat charter boat owner or
30 operator, or a bare-boat charter boat company.

31 (10) "Logging railroad company" means and includes any person
32 owning, controlling, operating or managing real or personal property,
33 used or to be used for or in connection with or to facilitate the
34 conveyance and transportation of forest products by rail in this state,
35 and engaged in the business of transporting forest products either as
36 private carrier or carrier for hire.

37 (11) "Person" means and includes any individual, firm,
38 copartnership, joint venture, association, corporation, trust, or any

1 other group acting as a unit, whether mutual, cooperative or otherwise,
2 and/or trustees or receivers appointed by any court.

3 (12) "Company" means and includes any railroad company, (~~motor~~
4 ~~vehicle transportation company,~~) airplane company, electric light and
5 power company, telegraph company, telephone company, gas company, pipe
6 line company, steamboat company, or logging railroad company; and the
7 term "companies" means and includes all of such companies.

8 (13) "Operating property" means and includes all property, real and
9 personal, owned by any company, or held by it as occupant, lessee or
10 otherwise, including all franchises and lands, buildings, rights-of-
11 way, water powers, motor vehicles, wagons, horses, aircraft,
12 aerodromes, hangars, office furniture, water mains, gas mains, pipe
13 lines, pumping stations, tanks, tank farms, holders, reservoirs,
14 telephone lines, telegraph lines, transmission and distribution lines,
15 dams, generating plants, poles, wires, cables, conduits, switch boards,
16 devices, appliances, instruments, equipment, machinery, vessels,
17 ferries, landing slips, docks, roadbeds, tracks, terminals, rolling
18 stock equipment, appurtenances and all other property of a like or
19 different kind, situate within the state of Washington, used by the
20 company in the conduct of its operations; and, in case of personal
21 property used partly within and partly without the state, it means and
22 includes a proportion of such personal property to be determined as in
23 this chapter provided.

24 (14) "Nonoperating property" means all physical property owned by
25 any company, other than that used during the preceding calendar year in
26 the conduct of its operations. It includes all lands and/or buildings
27 wholly used by any person other than the owning company. In cases
28 where lands and/or buildings are used partially by the owning company
29 in the conduct of its operations and partially by any other person not
30 assessable under this chapter under lease, sublease, or other form of
31 tenancy, the operating and nonoperating property of the company whose
32 property is assessed hereunder shall be determined by the department of
33 revenue in such manner as will, in its judgment, secure the separate
34 valuation of such operating and nonoperating property upon a fair and
35 equitable basis. The amount of operating revenue received from tenants
36 or occupants of property of the owning company shall not be considered
37 material in determining the classification of such property.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.04 RCW
2 to read as follows:

3 This chapter does not apply to:

4 (1) The annual use of a bare-boat charter boat by either the owner
5 or operator of the boat for a total period of time not to exceed either
6 ten percent of the total time the boat was chartered during the
7 previous calendar year or two weeks, whichever is more.

8 (2) Necessary repairs and maintenance of the bare-boat charter boat
9 by the owner or operator.

10 (3) Payment of moorage.

11 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.04 RCW
12 to read as follows:

13 Bare-boat charter boat owners are allowed to charter any bare-boat
14 charter boat which they own and shall be required to pay any applicable
15 tax levied under this chapter.

16 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.08 RCW
17 to read as follows:

18 The tax levied by RCW 82.08.020 does not apply to:

19 (1) The annual use of a bare-boat charter boat by either the owner
20 or operator of the boat for a total period of time not to exceed either
21 ten percent of the total time the boat was chartered during the
22 previous calendar year or two weeks, whichever is more.

23 (2) Necessary repairs and maintenance of the bare-boat charter boat
24 by the owner or operator.

25 (3) Payment of moorage.

26 NEW SECTION. **Sec. 6.** A new section is added to chapter 82.08 RCW
27 to read as follows:

28 Bare-boat charter boat owners are allowed to charter any bare-boat
29 charter boat which they own and shall be required to pay any applicable
30 tax levied by RCW 82.08.020.

31 NEW SECTION. **Sec. 7.** A new section is added to chapter 82.12 RCW
32 to read as follows:

33 This chapter does not apply in respect to:

34 (1) The annual use of a bare-boat charter boat by either the owner
35 or operator of the boat for a total period of time not to exceed either

1 ten percent of the total time the boat was chartered during the
2 previous calendar year or two weeks, whichever is more.

3 (2) Necessary repairs and maintenance of the bare-boat charter boat
4 by the owner or operator.

5 (3) Payment of moorage.

6 NEW SECTION. **Sec. 8.** A new section is added to chapter 82.12 RCW
7 to read as follows:

8 Bare-boat charter boat owners are allowed to charter any bare-boat
9 charter boat which they own and shall be required to pay any applicable
10 tax levied under this chapter.

--- END ---