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SENATE BILL 5711

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State of Washington                      64th Legislature                      2015 Regular Session

By Senators Rivers, Conway, and Braun

Read first time 01/29/15. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to providing a comprehensive spirits sales tax  
2 reduction for all consumers in both on-premise and off-premise  
3 settings; and amending RCW 82.08.150.

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

5            **Sec. 1.** RCW 82.08.150 and 2012 c 2 s 106 are each amended to  
6 read as follows:

7            (1) There is levied and collected a tax upon each retail sale of  
8 spirits in the original package at the rate of:

9            (a) Fifteen percent of the selling price, until July 1, 2016;

10           (b) 17.5 percent of the selling price, beginning July 1, 2016,  
11 until July 1, 2018;

12           (c) 14.5 percent of the selling price, beginning July 1, 2018,  
13 until July 1, 2020; and

14           (d) 11.5 percent of the selling price, beginning July 1, 2020,  
15 until July 1, 2022.

16           (2)(a) Until July 1, 2016, there is levied and collected a tax  
17 upon each sale of spirits in the original package at the rate of ten  
18 percent of the selling price on sales by a spirits distributor  
19 licensee or other licensee acting as a spirits distributor pursuant  
20 to Title 66 RCW to restaurant spirits retailers.

1 (b) Beginning July 1, 2016, until July 1, 2018, there is levied  
2 and collected a tax upon each sale of spirits in the original package  
3 at the rate of 11.7 percent of the selling price on sales by a  
4 spirits distributor licensee or other licensee acting as a spirits  
5 distributor pursuant to Title 66 RCW to restaurant spirits retailers.

6 (c) Beginning July 1, 2018, until July 1, 2020, there is levied  
7 and collected a tax upon each sale of spirits in the original package  
8 at the rate of 9.7 percent of the selling price on sales by a spirits  
9 distributor licensee or other licensee acting as a spirits  
10 distributor pursuant to Title 66 RCW to restaurant spirits retailers.

11 (d) Beginning July 1, 2020, until July 1, 2022, there is levied  
12 and collected a tax upon each sale of spirits in the original package  
13 at the rate of 7.7 percent of the selling price on sales by a spirits  
14 distributor licensee or other licensee acting as a spirits  
15 distributor pursuant to Title 66 RCW to restaurant spirits retailers.

16 (3) There is levied and collected an additional tax upon each  
17 sale of spirits in the original package by a spirits distributor  
18 licensee or other licensee acting as a spirits distributor pursuant  
19 to Title 66 RCW to a restaurant spirits retailer and upon each retail  
20 sale of spirits in the original package by a licensee of the board at  
21 the rate of one dollar and seventy-two cents per liter.

22 (4)(a) Until July 1, 2016, an additional tax is imposed equal to  
23 fourteen percent multiplied by the taxes payable under subsections  
24 (1), (2), and (3) of this section.

25 (b) Beginning July 1, 2016, an additional tax is imposed equal to  
26 fourteen percent multiplied by the taxes payable under subsection (3)  
27 of this section.

28 (5) An additional tax is imposed upon each sale of spirits in the  
29 original package by a spirits distributor licensee or other licensee  
30 acting as a spirits distributor pursuant to Title 66 RCW to a  
31 restaurant spirits retailer and upon each retail sale of spirits in  
32 the original package by a licensee of the board at the rate of seven  
33 cents per liter. All revenues collected during any month from this  
34 additional tax must be deposited in the state general fund by the  
35 twenty-fifth day of the following month.

36 (6)(a) Until July 1, 2016, an additional tax is imposed upon  
37 retail sale of spirits in the original package at the rate of three  
38 and four-tenths percent of the selling price.

39 (b) Until July 1, 2016, an additional tax is imposed upon retail  
40 sale of spirits in the original package to a restaurant spirits

1 retailer at the rate of two and three-tenths percent of the selling  
2 price.

3 (c) An additional tax is imposed upon each sale of spirits in the  
4 original package by a spirits distributor licensee or other licensee  
5 acting as a spirits distributor pursuant to Title 66 RCW to a  
6 restaurant spirits retailer and upon each retail sale of spirits in  
7 the original package by a licensee of the board at the rate of forty-  
8 one cents per liter.

9 (d) All revenues collected during any month from additional taxes  
10 under this subsection must be deposited in the state general fund by  
11 the twenty-fifth day of the following month.

12 (7)(a) An additional tax is imposed upon each retail sale of  
13 spirits in the original package at the rate of one dollar and thirty-  
14 three cents per liter.

15 (b) All revenues collected during any month from additional taxes  
16 under this subsection must be deposited by the twenty-fifth day of  
17 the following month into the general fund.

18 (8) Until July 1, 2022, the tax imposed in RCW 82.08.020 does not  
19 apply to sales of spirits in the original package. Beginning July 1,  
20 2022, the state and local sales taxes imposed in RCW 82.08.020 and  
21 82.14.030 apply to sales of spirits in the original package.

22 (9) The taxes imposed in this section must be paid by the buyer  
23 to the seller, and each seller must collect from the buyer the full  
24 amount of the tax payable in respect to each taxable sale under this  
25 section. The taxes required by this section to be collected by the  
26 seller must be stated separately from the selling price, and for  
27 purposes of determining the tax due from the buyer to the seller, it  
28 is conclusively presumed that the selling price quoted in any price  
29 list does not include the taxes imposed by this section. Sellers must  
30 report and return all taxes imposed in this section in accordance  
31 with rules adopted by the department.

32 (10) As used in this section, the terms, "spirits" and "package"  
33 have the same meaning as provided in chapter 66.04 RCW.

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