

# HOUSE BILL REPORT

## HB 1102

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### **As Passed House:**

February 3, 1995

**Title:** An act relating to tax exemptions for food fish or shellfish.

**Brief Description:** Expanding the base of the tax exemption for food fish eggs and fry to shellfish.

**Sponsors:** Representatives Sheldon, Johnson, Basich, Hargrove, Hatfield, Koster, Quall, Goldsmith, Kessler, Kremen and Buck.

### **Brief History:**

#### **Committee Activity:**

Finance: 1/26/95 [DP].

#### **Floor Activity:**

Passed House: 2/3/95.

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## HOUSE COMMITTEE ON FINANCE

**Majority Report:** Do pass. Signed by 8 members: Representatives B. Thomas, Chairman; Boldt, Vice Chairman; Carrell, Vice Chairman; Hymes; Mulliken; Pennington; Schoesler and Van Luven.

**Staff:** Bob Longman (786-7139).

**Background:** The fish tax is imposed when enhanced food fish are landed in Washington. "Enhanced food fish" includes salmon, anadromous game fish, shellfish and other food fish caught in Washington territorial and adjacent waters.

The fish tax is based on the value of the fish at the point of landing in Washington. The tax rate depends on the species of fish or shellfish. Chinook, coho, and chum salmon and anadromous game fish are taxed at 5.62 percent. Pink and sockeye salmon are taxed at 3.37 percent. Oysters are taxed at .086 percent. Other food fish and shellfish are taxed at 2.25 percent.

The tax does not apply to food fish shipped from outside Washington. The tax also does not apply when food fish are raised in Washington if the fish are raised from eggs or fry and are under the physical control of the grower at all times.

**Summary of Bill:** Shellfish grown from larvae which are under the physical control of the grower at all times are exempt from the fish tax.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect on July 1, 1995.

**Testimony For:** It was an oversight not to include shellfish growers when the exemption was passed for fish farmers. Shellfish growers are only asking that they be treated like other food fish harvesters.

**Testimony Against:** None.

**Testified:** Representative Tim Sheldon, prime sponsor; and Tim Smith, Pacific Coast Oyster Growers Association.