

2 **SSB 5999** - S AMD - 261
3 By Senators Schow and Heavey

4 NOT ADOPTED 4/2/97

5 Beginning on page 9, after line 2, strike all of sections 201 and
6 202 and insert the following:

7 "NEW SECTION. **Sec. 201.** A new section is added to chapter 82.04
8 RCW to read as follows:

9 (1) Upon every person engaging within this state in the business of
10 playing professional football in the national football league,
11 professional baseball in major league baseball, or professional
12 basketball in the national basketball association, as to such persons,
13 the amount of tax with respect to such business shall be equal to the
14 gross income of the business multiplied by a rate of 1.5 percent.

15 (2) Upon every person engaging within this state in the business of
16 printing daily newspapers, radio broadcasting, or television
17 broadcasting, in addition to the tax imposed under RCW 82.04.280, there
18 is imposed a surtax equal to twenty percent of the tax due under RCW
19 82.04.280.

20 (3) Proceeds of the tax imposed under this section shall be
21 deposited into the stadium and exhibition center account created in
22 section 214 of this act.

23 **Sec. 202.** RCW 82.04.290 and 1996 c 1 s 2 are each amended to read
24 as follows:

25 (1) Upon every person engaging within this state in the business of
26 providing selected business services other than or in addition to those
27 enumerated in RCW 82.04.250 or 82.04.270; as to such persons the amount
28 of tax on account of such activities shall be equal to the gross income
29 of the business multiplied by the rate of 2.0 percent.

30 (2) Upon every person engaging within this state in banking, loan,
31 security, investment management, investment advisory, or other
32 financial businesses, other than or in addition to those enumerated in
33 subsection (3) of this section; as to such persons, the amount of the
34 tax with respect to such business shall be equal to the gross income of
35 the business, multiplied by the rate of 1.6 percent.

1 (3) Upon every person engaging within this state in the business of
2 providing international investment management services, as to such
3 persons, the amount of tax with respect to such business shall be equal
4 to the gross income or gross proceeds of sales of the business
5 multiplied by a rate of 0.275 percent.

6 (4) Upon every person engaging within this state in any business
7 activity other than or in addition to those enumerated in RCW
8 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260, 82.04.270,
9 section 201 of this act, and 82.04.280, and subsections (1), (2), and
10 (3) of this section; as to such persons the amount of tax on account of
11 such activities shall be equal to the gross income of the business
12 multiplied by the rate of 1.75 percent.

13 This section includes, among others, and without limiting the scope
14 hereof (whether or not title to materials used in the performance of
15 such business passes to another by accession, confusion or other than
16 by outright sale), persons engaged in the business of rendering any
17 type of service which does not constitute a "sale at retail" or a "sale
18 at wholesale." The value of advertising, demonstration, and
19 promotional supplies and materials furnished to an agent by his
20 principal or supplier to be used for informational, educational and
21 promotional purposes shall not be considered a part of the agent's
22 remuneration or commission and shall not be subject to taxation under
23 this section.

24 **Sec. 203.** RCW 82.04.360 and 1991 c 324 s 19 and 1991 c 275 s 2 are
25 each reenacted and amended to read as follows:

26 (1) This chapter shall not apply to any person in respect to his or
27 her employment in the capacity of an employee or servant as
28 distinguished from that of an independent contractor. For the purposes
29 of this section, the definition of employee shall include those persons
30 that are defined in section 3121(d)(3)(B) of the Internal Revenue Code
31 of 1986, as amended through January 1, 1991.

32 (2) A booth renter, as defined by RCW 18.16.020, is an independent
33 contractor for purposes of this chapter.

34 (3) Persons engaging in the business of playing professional
35 football in the national football league, professional baseball in
36 major league baseball, or professional basketball in the national
37 basketball association shall not be considered to be employees under
38 this section.

1 NEW SECTION. **Sec. 204.** (1) A tax is imposed on each sale of
2 executive suites, luxury box seats, and personal seat licenses in
3 stadiums that exhibit professional football from the national football
4 league, professional baseball from major league baseball, or
5 professional basketball from the national basketball association, in
6 this state. The rate of the tax shall be ten percent of the sales
7 price.

8 (2) This tax shall be paid by the buyer to the seller and each
9 seller shall collect from the buyer the full amount of the tax payable
10 in respect to each taxable sale, unless the seller is prohibited from
11 collecting the tax from the buyer under the state Constitution or the
12 Constitution or laws of the United States.

13 (3) The tax shall be stated separately from the selling price in
14 any sales invoice or any instrument of sale. Failure to separately
15 state the tax shall create a conclusive presumption that the tax has
16 not been collected.

17 (4) Proceeds of the tax imposed under this section shall be
18 deposited into the stadium and exhibition center account created in
19 section 214 of this act.

20 **Sec. 205.** RCW 36.100.090 and 1995 1st sp.s. c 14 s 6 are each
21 amended to read as follows:

22 (1) The governing board of a public facilities district may apply
23 for deferral of taxes on the construction of buildings, site
24 preparation, and the acquisition of related machinery and equipment for
25 a new public facility. Application shall be made to the department of
26 revenue in a form and manner prescribed by the department of revenue.
27 The application shall contain information regarding the location of the
28 public facility, estimated or actual costs, time schedules for
29 completion and operation, and other information required by the
30 department of revenue. The department of revenue shall approve the
31 application within sixty days if it meets the requirements of this
32 section.

33 (2) The department of revenue shall issue a sales and use tax
34 deferral certificate for state and local sales and use taxes due under
35 chapters 82.08, 82.12, and 82.14 RCW on the public facility. The use
36 of the certificate shall be governed by rules established by the
37 department of revenue.

1 (3) The public facilities district shall begin paying the deferred
2 taxes in the fifth year after the date certified by the department of
3 revenue as the date on which the public facility is operationally
4 complete. The first payment is due on December 31st of the fifth
5 calendar year after such certified date, with subsequent annual
6 payments due on December 31st of the following nine years. Each
7 payment shall equal ten percent of the deferred tax.

8 (4) The department of revenue may authorize an accelerated
9 repayment schedule upon request of the public facilities district.

10 (5) Interest shall not be charged on any taxes deferred under this
11 section for the period of deferral, although all other penalties and
12 interest applicable to delinquent excise taxes may be assessed and
13 imposed for delinquent payments under this section. The debt for
14 deferred taxes is not extinguished by insolvency or other failure of
15 the public facilities district.

16 (6) Applications and any other information received by the
17 department of revenue under this section are not confidential and are
18 subject to disclosure. Chapter 82.32 RCW applies to the administration
19 of this section.

20 (7) As used in this section, "public facility" means a baseball
21 stadium with a retractable roof or canopy and natural turf or a stadium
22 and exhibition center as defined in section 101 of this act."

23 Renumber the remaining sections consecutively and correct any
24 internal references accordingly.

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28 On page 19, line 12, after "201" insert ", 204,"

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32 On page 37, line 21, after "(1) Section" strike "201" and insert
33 "204"

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4 On page 1, line 2 of the title, after "grants;" strike the
5 remainder of the title and insert "amending RCW 36.100.010, 36.100.020,
6 82.04.290, 36.100.090, 82.29A.130, 67.70.240, 67.70.042, 36.38.010,
7 36.32.235, 39.04.010, 39.10.120, 39.10.050, 39.10.902, 67.28.180, and
8 82.14.049; reenacting and amending RCW 82.04.360; adding new sections
9 to chapter 36.100 RCW; adding a new section to chapter 82.04 RCW;
10 adding a new section to chapter 82.08 RCW; adding a new section to
11 chapter 82.14 RCW; adding new sections to chapter 67.70 RCW; adding a
12 new section to chapter 36.38 RCW; adding a new section to chapter 39.30
13 RCW; adding a new chapter to Title 82 RCW; adding a new chapter to
14 Title 43 RCW; creating new sections; and providing for submission of
15 this act to a vote of the people."

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