HOUSE BILL REPORT HB 2957

As Passed House:

February 14, 2006

Title: An act relating to extending the expiration date for reporting requirements on timber purchases.

Brief Description: Extending the expiration date for reporting requirements on timber purchases.

Sponsors: By Representatives Blake, Orcutt, Kessler, Kristiansen and Dunn.

Brief History:

Committee Activity:

Natural Resources, Ecology & Parks: 1/26/06, 1/27/06 [DP].

Floor Activity:

Passed House: 2/14/06, 97-0.

Brief Summary of Bill

• Delays from 2007 to 2010 the expiration date of a requirement that data concerning timber purchases be reported to the Department of Revenue.

HOUSE COMMITTEE ON NATURAL RESOURCES, ECOLOGY & PARKS

Majority Report: Do pass. Signed by 11 members: Representatives B. Sullivan, Chair; Upthegrove, Vice Chair; Buck, Ranking Minority Member; Kretz, Assistant Ranking Minority Member; Blake, Chandler, Dickerson, Eickmeyer, Hunt, Kagi and Orcutt.

Staff: Jason Callahan (786-7117).

Background:

Every harvester of timber is required to pay an excise tax of 5 percent of the stumpage value of any trees that he or she harvests. The excise tax applies to timber harvested from both private and public lands.

Every person who purchases more than 200,000 board feet of private timber in a voluntary sale is required to report certain information to the Department of Revenue (Department). Information that is required to be reported includes the sale date, the total sale price, total acreage involved in the sale, net volume of timber purchased, road construction that was required, data from the timber cruise, and any timber thinning information. The Department may assess a penalty of \$250 for failure to report the required information.

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Information gathered in the report is used by the Department to establish tables of stumpage values. A stumpage table is required for each species of tree that is commercially harvested in Washington. The values on the tables indicate the amount that each species would sell for at a voluntary sale made in the ordinary course of business. The stumpage value tables are used to calculate the excise tax due from each timber harvester.

The requirement to report sales information to the Department expires on July 1, 2007.

Summary of Bill:

The expiration date of the requirement that data about timber purchases be reported to the Department is extended from July 1, 2007, to July 1, 2010.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is

passed.

Testimony For: It is important to extend the sunset on this reporting requirement.

Testimony Against: None.

Persons Testifying: Representative Blake, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.