

VETO MESSAGE ON SB 5083

May 12, 2011

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 3,
Senate Bill 5083 entitled:

"AN ACT Relating to clarifying that the basis for
business and occupation tax for real estate firms is
the commission amount received by each real estate
firm involved in a transaction."

Senate Bill 5083 provides that when a real estate commission
on a particular transaction is divided among real estate firms
at the closing of the transaction, each firm must pay the tax
only upon its respective share.

Section 3 would apply this act both prospectively and
retroactively. The retroactive application of the bill would
reward delinquent taxpayers while those who paid on time would
not receive a refund under the prohibition on the gift of state
funds in Article VIII, Section 5 of the Washington
Constitution, as interpreted by the Washington Supreme Court.

For this reason, I have vetoed Section 3 of Senate Bill 5083.

With the exception of Section 3, Senate Bill 5083 is approved.

Respectfully submitted,
Christine Gregoire
Governor