

SENATE BILL REPORT

SSB 6333

As Passed Senate, February 18, 2014

Title: An act relating to tax statute clarifications, simplifications, and technical corrections.

Brief Description: Concerning tax statute clarifications, simplifications, and technical corrections.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Schoesler and Hargrove).

Brief History:

Committee Activity: Ways & Means: 1/28/14, 1/30/14 [DPS].
Passed Senate: 2/18/14, 47-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6333 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hill, Chair; Baumgartner, Vice Chair; Hargrove, Ranking Member; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Bailey, Becker, Billig, Braun, Conway, Dammeier, Fraser, Frockt, Hasegawa, Hatfield, Hewitt, Kohl-Welles, Padden, Parlette, Rivers, Schoesler and Tom.

Staff: Dean Carlson (786-7305)

Background: When legislation is enacted, it frequently contains references to other statutes. These references may become erroneous due to changes made to the referenced statutes by other legislation enacted during the same legislative session. In addition, statutes sometimes include provisions that are limited in time. These provisions become obsolete with the passage of time.

From time to time, administrative agencies suggest statutory revisions for the purpose of increasing clarity or improving administration.

Summary of Substitute Bill: This act makes clarifications and technical corrections, fixes oversights, increases administrative efficiency, simplifies reporting requirements, and deletes obsolete statutes.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Part 1.

- The Department of Revenue (DOR) is allowed to update nexus thresholds by the statutory formula without going through the rulemaking process.
- The deadline for DOR to report to the Legislature annual reports and surveys is extended from October 1 to December 1.
- DOR is allowed to serve a levy electronically with a person written consent.

Part 2. Obsolete statutes are repealed that require DOR to create a list of taxable candy items and provide a report to the Legislature on the working families tax credit.

Part 3. Several clarifying and corrective amendments are provided. This includes creating a single codified statute from a double amendment. References to statutes no longer in existence are eliminated. Erroneous subsection references, and phrasing to provide clarity and consistency are updated.

Part 4.

- The annual reporting requirement under RCW 82.32.534 for FAR part 145 repair stations is added, as the reporting requirement was inadvertently removed;
- The annual reporting requirement under RCW 82.32.534 for aerospace product development for others is added, as the reporting requirement was inadvertently omitted when the aerospace annual reporting statute was repealed and replaced with RCW 82.32.534.
- The annual survey reporting requirement under RCW 82.32.582 is added and the filing of the annual report in RCW 82.32.585 is eliminated if an annual survey is filed. This change makes it so some industries do not need to file both an annual survey and an annual report.
- Language is added to recognize recent legislation allowing assessors to provide notices electronically upon the consent of the taxpayer.
- Language is added to reflect inadvertent omission of the term publicly owned to describe exempt property in recent legislation.

Part 5. The term "public transportation agency" to entities who qualify for the tax preferences for ride sharing for persons with special transportation needs is added to reflect the current DOR position and clarify possible inconsistent application of law.

Language is updated that relates to clarifying requirements for qualifying ride-sharing vehicles for both the motor vehicle excise tax (MVET) and the sales and use tax exemptions to add consistency between the MVET exemption in RCW 82.44.015 and the sales and use tax exemptions in RCW 82.08.0287 and 82.12.0287.

Part 6. Language is updated to simplify the claiming of certain tax preferences in reference to replacement parts and livestock nutrient management systems and facilities by farmers.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This is a bill that comes up every so often to clean up the tax statutes. This has no sustentative policy in it.

Persons Testifying: PRO: Drew Shirk, DOR.