H-4486.1

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**HOUSE BILL 2984**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Representative Sawyer

AN ACT Relating to Atlantic salmon; amending RCW 82.04.213, 82.27.020, 82.27.030, and 82.27.070; adding a new section to chapter 82.04 RCW; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  The legislature finds that Pacific salmon are important to our region's economy, culture, and ecosystem. The legislature further finds our local salmon are classified as threatened and endangered species by the United States fish and wildlife service. The legislature further finds that Atlantic salmon are an invasive, nonnative species to our waters and pose a grave risk to the future of our native salmon population. The legislature further finds that state agencies have spent more resources monitoring recent escapements than the Atlantic salmon fisheries generate in tax revenue for our state. In light of historic and recent Atlantic fishery escapements, the legislature concludes it is in the public's interest to implement a policy to disincentivize the continued cultivation of Atlantic salmon in our marine waters.

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

Upon every person engaging within the state in the business of growing, raising, or producing Atlantic salmon or selling Atlantic salmon they grow, raise, or produce at wholesale or retail; the amount of the tax with respect to such activities is equal to the gross income derived from such activities multiplied by a rate of 6.25 percent.

**Sec.**  RCW 82.04.213 and 2015 3rd sp.s. c 6 s 1102 are each amended to read as follows:

(1) "Agricultural product" means any product of plant cultivation or animal husbandry including, but not limited to: A product of horticulture, grain cultivation, vermiculture, viticulture, or aquaculture as defined in RCW 15.85.020, excluding Atlantic salmon; plantation Christmas trees; short-rotation hardwoods as defined in RCW 84.33.035; turf; or any animal including but not limited to an animal that is a private sector cultured aquatic product as defined in RCW 15.85.020, or a bird, or insect, or the substances obtained from such an animal including honey bee products. "Agricultural product" does not include marijuana, useable marijuana, or marijuana-infused products, or animals defined as pet animals under RCW 16.70.020.

(2)(a) "Farmer" means any person engaged in the business of growing, raising, or producing, upon the person's own lands or upon the lands in which the person has a present right of possession, any agricultural product to be sold, and the growing, raising, or producing honey bee products for sale, or providing bee pollination services, by an eligible apiarist. "Farmer" does not include a person growing, raising, or producing such products for the person's own consumption; a person selling any animal or substance obtained therefrom in connection with the person's business of operating a stockyard or a slaughter or packing house; or a person in respect to the business of taking, cultivating, or raising timber.

(b) "Eligible apiarist" means a person who owns or keeps one or more bee colonies and who grows, raises, or produces honey bee products for sale at wholesale and is registered under RCW 15.60.021.

(c) "Honey bee products" means queen honey bees, packaged honey bees, honey, pollen, bees wax, propolis, or other substances obtained from honey bees. "Honey bee products" does not include manufactured substances or articles.

(3) The terms "agriculture," "farming," "horticulture," "horticultural," and "horticultural product" may not be construed to include or relate to marijuana, useable marijuana, or marijuana-infused products unless the applicable term is explicitly defined to include marijuana, useable marijuana, or marijuana-infused products.

(4) "Marijuana," "useable marijuana," and "marijuana-infused products" have the same meaning as in RCW 69.50.101.

**Sec.**  RCW 82.27.020 and 2017 3rd sp.s. c 8 s 53 are each amended to read as follows:

(1) In addition to all other taxes, licenses, or fees provided by law there is established an excise tax on the commercial possession of enhanced food fish as provided in this chapter. The tax is levied upon and ((~~shall~~)) must be collected from the owner of the enhanced food fish whose possession constitutes the taxable event. The taxable event is the first possession in Washington by an owner after the enhanced food fish has been landed. Processing and handling of enhanced food fish by a person who is not the owner is not a taxable event to the processor or handler.

(2) A person in possession of enhanced food fish and liable to this tax may deduct from the price paid to the person from which the enhanced food fish (except oysters) are purchased an amount equal to a tax at one-half the rate levied in this section upon these products.

(3) The measure of the tax is the value of the enhanced food fish at the point of landing.

(4) The tax ((~~shall be~~)) is equal to the measure of the tax multiplied by the rates for enhanced food fish as follows:

(a) Puget Sound chinook, coho, and chum salmon and anadromous game fish: Five and twenty-five one-hundredths percent;

(b) Atlantic salmon; and ocean waters, Columbia river, Willapa Bay, and Grays Harbor chinook, coho, and chum salmon and anadromous game fish: Six and twenty-five one-hundredths percent;

(c) Pink and sockeye salmon: Three and fifteen one-hundredths percent;

(d) Other food fish and shellfish, except oysters, sea urchins, and sea cucumbers: Two and one-tenth percent;

(e) Oysters: Eight one-hundredths of one percent;

(f) Sea urchins: Two and one-tenth percent; and

(g) Sea cucumbers: Two and one-tenth percent.

(5) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (4) of this section.

**Sec.**  RCW 82.27.030 and 1995 2nd sp.s. c 7 s 1 are each amended to read as follows:

The tax imposed by RCW 82.27.020 ((~~shall~~)) does not apply to: (1) Except Atlantic salmon, enhanced food fish originating outside the state ((~~which~~)) that enters the state as (a) frozen enhanced food fish or (b) enhanced food fish packaged for retail sales; (2) the growing, processing, or dealing with food fish or shellfish which are raised from eggs, fry, or larvae and which are under the physical control of the grower at all times until being sold or harvested; and (3) food fish, shellfish, anadromous game fish, and by-products or parts of food fish shipped from outside the state which enter the state, except as provided in RCW 82.27.010, provided the taxpayer must have documentation showing shipping origination of fish exempt under this subsection to qualify for exemption. Such documentation includes, but is not limited to fish tickets, bills of lading, invoices, or other documentation required to be kept by governmental agencies.

**Sec.**  RCW 82.27.070 and 2017 3rd sp.s. c 8 s 54 are each amended to read as follows:

All taxes collected by the department of revenue under this chapter ((~~shall~~)) must be deposited in the state general fund except for the following:

(1) The excise tax on anadromous game fish is deposited in the state wildlife account.

(2) The excise tax on Atlantic salmon; and ocean waters, Columbia river, Willapa Bay, and Grays Harbor chinook, coho, and chum salmon is deposited as follows:

(a) The equivalent of five and twenty-five one-hundredths percent shall be deposited in the state general fund.

(b) The equivalent of one percent ((~~shall~~)) must be deposited in the state wildlife account.

**--- END ---**