
**Agriculture & Natural Resources
Committee**

HB 1148

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

Sponsors: Representatives J. Walsh, Chapman, Vick, Blake, Orcutt and Muri.

Brief Summary of Bill

- Extends the expiration date for a requirement to report data about timber purchases to the Department of Revenue from 2018 until 2021.

Hearing Date: 1/18/17

Staff: Rebecca Lewis (786-7339).

Background:

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

Every purchaser of more than 200,000 board feet of privately owned timber in a voluntary sale must report the purchase to the Department of Revenue (Department) on or before the last day of the month in which the purchase took place. The purchaser must report information related to the value of the purchase including the following:

- purchaser's name, address, and contact information;
- seller's name, address, and contact information;
- sale date;
- termination date in sale agreement;
- total sale price;
- legal description of sale area;

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- sale name, if applicable;
- forest practice application or harvest permit number if available;
- total acreage involved in sale;
- estimated net volume of timber purchased by tree species and log grade; and
- description and value of property improvements such as land clearing, reforestation, or road improvements.

The Department may assess a penalty of \$250 for failure to report the required information.

Information gathered in the reports is used by the Department to establish stumpage value tables. A stumpage table is required to be prepared 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, 2018.

Summary of Bill:

The expiration date for the requirement to report data to the Department about timber purchases is extended from July 1, 2018, to July 1, 2021.

Appropriation: None.

Fiscal Note: Not requested.

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