
SENATE BILL 6429

State of Washington

53rd Legislature

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By Senators Ludwig, M. Rasmussen, Newhouse, A. Smith, Loveland and McDonald

Read first time 01/21/94. Referred to Committee on Ways & Means.

1 AN ACT Relating to increasing the business and occupation tax
2 threshold amounts; amending RCW 82.32.030 and 70.95E.020; adding a new
3 section to chapter 82.04 RCW; and repealing RCW 82.04.300.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW
6 to read as follows:

7 (1) As used in this section:

8 (a) "Combined measure of tax" means the total of the value of
9 products, gross proceeds of sales, and gross income of the business for
10 all activities upon which business and occupation taxes are imposed
11 under this chapter.

12 (b) "New taxpayer" means a person who did not engage in taxable
13 business activities during the calendar year preceding the reporting
14 period, but does not include a person who has succeeded by merger,
15 consolidation, incorporation, or any other form or change of identity
16 to the business of a person engaged in business activities during the
17 calendar year preceding the reporting period.

18 (c) "Threshold amount" means:

19 (i) Twelve thousand dollars for a new taxpayer.

1 (ii) Twelve thousand dollars for taxpayers for whom at least eighty
2 percent of the combined measure of tax for the calendar year preceding
3 the reporting period is attributable to the business of making sales at
4 retail.

5 (iii) Four thousand dollars for taxpayers for whom at least eighty
6 percent of the combined measure of tax for the calendar year preceding
7 the reporting period is attributable to the business of rendering any
8 type of service that does not constitute a sale at retail.

9 (iv) Seven thousand dollars for all other taxpayers.

10 (2) In computing the tax imposed under this chapter, there may be
11 deducted from the combined measure of tax an amount equal to the
12 product of the threshold amount multiplied by the number of months in
13 the reporting period, as determined under RCW 82.32.045, reduced by the
14 amount computed under subsection (3) of this section.

15 (3) For each taxpayer the amount under subsection (2) of this
16 section shall be reduced, but not below zero, by the amount by which
17 the combined measure of tax for a reporting period exceeds the product
18 of the threshold amount multiplied by the number of months in the
19 reporting period.

20 (4) If a taxpayer engages in more than one business activity only
21 a single deduction using a single threshold amount applied against the
22 combined measures of tax is allowed under this section. The taxpayer
23 may specify how the deduction is to be divided among the measures of
24 tax.

25 **Sec. 2.** RCW 82.32.030 and 1992 c 206 s 8 are each amended to read
26 as follows:

27 (1) Except as provided in subsection (2) of this section, if any
28 person engages in any business or performs any act upon which a tax is
29 imposed by the preceding chapters, he or she shall, under such rules as
30 the department of revenue shall prescribe, apply for and obtain from
31 the department a registration certificate (~~upon payment of fifteen~~
32 ~~dollars~~). Such registration certificate shall be personal and
33 nontransferable and shall be valid as long as the taxpayer continues in
34 business and pays the tax accrued to the state. In case business is
35 transacted at two or more separate places by one taxpayer, a separate
36 registration certificate for each place at which business is transacted
37 with the public shall be required(~~(, but, for such additional~~
38 ~~certificates no additional payment shall be required)~~). Each

1 certificate shall be numbered and shall show the name, residence, and
2 place and character of business of the taxpayer and such other
3 information as the department of revenue deems necessary and shall be
4 posted in a conspicuous place at the place of business for which it is
5 issued. Where a place of business of the taxpayer is changed, the
6 taxpayer must return to the department the existing certificate, and a
7 new certificate will be issued for the new place of business (~~free of~~
8 ~~charge~~). No person required to be registered under this section shall
9 engage in any business taxable hereunder without first being so
10 registered. The department, by rule, may provide for the issuance of
11 certificates of registration(~~(, without requiring payment,)~~) to
12 temporary places of business (~~(or to persons who are exempt from tax~~
13 ~~under RCW 82.04.300)~~).

14 (2) Registration under this section is not required if the
15 following conditions are met:

16 (a) A person's value of products, gross proceeds of sales, or gross
17 income of the business (~~(is below the tax reporting threshold provided~~
18 ~~in RCW 82.04.300)~~), from all business activities, is less than one
19 thousand dollars per month;

20 (b) The person is not required to collect or pay to the department
21 of revenue any other tax which the department is authorized to collect;
22 and

23 (c) The person is not otherwise required to obtain a license
24 subject to the master application procedure provided in chapter 19.02
25 RCW.

26 **Sec. 3.** RCW 70.95E.020 and 1990 c 114 s 12 are each amended to
27 read as follows:

28 A fee is imposed for the privilege of generating or potentially
29 generating hazardous waste in the state. The annual amount of the fee
30 shall be thirty-five dollars upon every known generator or potential
31 generator doing business in Washington in the current calendar year or
32 any part thereof. This fee shall be collected by the department of
33 revenue. A potential generator shall be exempt from the fee imposed
34 under this section if the (~~(potential generator is entitled to the~~
35 ~~exemption in RCW 82.04.300)~~) value of products, gross proceeds of
36 sales, or gross income of the business, from all business activities of
37 the potential generator, is less than twelve thousand dollars in the
38 current calendar year. The department shall, subject to appropriation,

1 use the funds collected from the fees assessed in this subsection to
2 support the activities of the office of waste reduction as specified in
3 RCW 70.95C.030. The fee imposed pursuant to this section shall be
4 first due on July 31, 1990, for any generator or potential generator
5 operating in Washington from March 21, 1990, to December 31, 1990, or
6 any part thereof.

7 NEW SECTION. **Sec. 4.** RCW 82.04.300 and 1993 sp.s. c 25 s 205,
8 1992 c 206 s 7, 1983 c 3 s 213, 1979 ex.s. c 196 s 4, 1975 1st ex.s. c
9 278 s 41, 1961 c 293 s 3, & 1961 c 15 s 82.04.300 are each repealed.

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