
SENATE BILL 6528

State of Washington

53rd Legislature

1994 Regular Session

By Senators Owen, Hochstatter, Loveland, M. Rasmussen, Ludwig, Morton, Bluechel, Prince and Cantu

Read first time 01/26/94. Referred to Committee on Ways & Means.

1 AN ACT Relating to excise taxation of low-density light and power
2 businesses; adding a new section to chapter 82.16 RCW; and providing an
3 effective date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.16 RCW
6 to read as follows:

7 (1) In computing tax under this chapter, a light and power business
8 may deduct from gross income the lesser of the amounts determined under
9 subsections (2) through (4) of this section.

10 (2)(a) Twenty-five percent of wholesale power cost paid during the
11 reporting period, if the light and power business has fewer than five
12 and one-half customers per mile of line.

13 (b) Twenty percent of wholesale power cost paid during the
14 reporting period, if the light and power business has more than five
15 and one-half but less than eleven customers per mile.

16 (c) Fifteen percent of the wholesale power cost paid during the
17 reporting period, if the light and power business has more than eleven
18 but less than seventeen customers per mile of line.

1 (d) Zero if the light and power business has more than seventeen
2 customers per mile of line.

3 (3) Wholesale power cost multiplied by the percentage by which the
4 average retail electric power rates for the light and power business
5 exceed the state average electric power rate. If more than fifty
6 percent of the kilowatt hours sold by a light and power business are
7 sold to irrigators, then only sales to nonirrigators shall be used to
8 calculate the average electric power rate for that light and power
9 business. For purposes of this subsection, the department shall
10 determine state average electric power rate each year based on the most
11 recent available data and shall inform taxpayers of its determination.

12 (4) Two hundred thousand dollars per month.

13 NEW SECTION. **Sec. 2.** This act shall take effect July 1, 1994.

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