

CERTIFICATION OF ENROLLMENT

SENATE BILL 5251

Chapter 444, Laws of 1993

53rd Legislature
1993 Regular Session

SALES TAX--NONRESIDENT EXEMPTION--IDENTIFICATION REQUIREMENTS

EFFECTIVE DATE: 7/25/93

Passed by the Senate February 24, 1993
YEAS 45 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House April 24, 1993
YEAS 95 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved May 17, 1993

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5251** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

May 17, 1993 - 1:40 p.m.

**Secretary of State
State of Washington**

SENATE BILL 5251

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senators Bauer, Snyder, Sheldon, Moore, Prentice, Sutherland,
Jesernig, Rinehart and Winsley

Read first time 01/20/93. Referred to Committee on Ways & Means.

1 AN ACT Relating to the nonresident sales tax exemption; and
2 amending RCW 82.08.0273.

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

4 **Sec. 1.** RCW 82.08.0273 and 1988 c 96 s 1 are each amended to read
5 as follows:

6 (1) The tax levied by RCW 82.08.020 shall not apply to sales to
7 nonresidents of this state of tangible personal property for use
8 outside this state when the purchaser (a) is a bona fide resident of a
9 state or possession or Province of Canada other than the state of
10 Washington and such state, possession, or Province of Canada does not
11 impose a retail sales tax or use tax of three percent or more or, if
12 imposing such a tax, permits Washington residents exemption from
13 otherwise taxable sales by reason of their residence, and (b) agrees,
14 when requested, to grant the department of revenue access to such
15 records and other forms of verification at his or her place of
16 residence to assure that such purchases are not first used
17 substantially in the state of Washington.

1 (2)(a) Any person claiming exemption from retail sales tax under
2 the provisions of this section must display proof of his or her current
3 nonresident status as herein provided.

4 (b) Acceptable proof of a nonresident person's status shall include
5 ~~((two pieces))~~ one piece of identification~~((:(i)))~~ such as a valid
6 driver's license from the jurisdiction in which the out-of-state
7 residency is claimed or a valid identification card which has a
8 photograph of the holder and is issued by the out-of-state jurisdiction
9 ~~((and (ii) a credit card, checks, or other reliable identification))~~.
10 Identification under ~~((i) of)~~ this subsection (2)(b) must show the
11 holder's residential address and have as one of its legal purposes the
12 establishment of residency in that out-of-state jurisdiction.

13 (3) Nothing in this section requires the vendor to make tax exempt
14 retail sales to nonresidents. A vendor may choose to make sales to
15 nonresidents, collect the sales tax, and remit the amount of sales tax
16 collected to the state as otherwise provided by law. If the vendor
17 chooses to make a sale to a nonresident without collecting the sales
18 tax, the vendor shall, in good faith, examine the proof of
19 nonresidence, determine whether the proof is acceptable under
20 subsection (2)(b) of this section, and maintain records for each
21 nontaxable sale which shall show the type of proof accepted, including
22 any identification numbers where appropriate, and the expiration date,
23 if any.

24 (4)(a) Any person making fraudulent statements, which includes the
25 offer of fraudulent identification or fraudulently procured
26 identification to a vendor, in order to purchase goods without paying
27 retail sales tax shall be guilty of perjury. Any person making tax
28 exempt purchases under this section by displaying proof of
29 identification not his or her own, or counterfeit identification, with
30 intent to violate the provisions of this section, shall be guilty of a
31 misdemeanor and, in addition, shall be liable for the tax and subject
32 to a penalty equal to the greater of one hundred dollars or the tax due
33 on such purchases.

34 (b) Any vendor who makes sales without collecting the tax to a
35 person who does not hold valid identification establishing out-of-state
36 residency, and any vendor who fails to maintain records of sales to
37 nonresidents as provided in this section, shall be personally liable
38 for the amount of tax due. Any vendor who makes sales without
39 collecting the retail sales tax under this section and who has actual

1 knowledge that the purchaser's proof of identification establishing
2 out-of-state residency is fraudulent shall be guilty of a misdemeanor
3 and, in addition, shall be liable for the tax and subject to a penalty
4 equal to the greater of one thousand dollars or the tax due on such
5 sales. In addition, both the purchaser and the vendor shall be liable
6 for any penalties and interest assessable under chapter 82.32 RCW.

Passed the Senate February 24, 1993.

Passed the House April 24, 1993.

Approved by the Governor May 17, 1993.

Filed in Office of Secretary of State May 17, 1993.