

1 **HB 2211** - H AMD 013

2 By Representative B. Thomas

3 Strike everything after the enacting clause and insert:

4 "NEW SECTION. **Sec. 1.** This act is intended to reduce the  
5 1993 business and occupation tax service rate increases by the  
6 fifty percent remaining after the enactment of chapter ..... Laws  
7 of 1996 (SB 6117).

8  
9 **Sec. 2.** RCW 82.04.255 and 1993 sp.s. c 25 s 202 are each  
10 amended to read as follows:

11 Upon every person engaging within the state as a real estate  
12 broker; as to such persons, the amount of the tax with respect to  
13 such business shall be equal to the gross income of the business,  
14 multiplied by the rate of ((2.0)) 1.5 percent.

15 The measure of the tax on real estate commissions earned by  
16 the real estate broker shall be the gross commission earned by the  
17 particular real estate brokerage office including that portion of  
18 the commission paid to salesmen or associate brokers in the same  
19 office on a particular transaction: PROVIDED, HOWEVER, That where  
20 a real estate commission is divided between an originating  
21 brokerage office and a cooperating brokerage office on a particular  
22 transaction, each brokerage office shall pay the tax only upon  
23 their respective shares of said commission: AND PROVIDED FURTHER,  
24 That where the brokerage office has paid the tax as provided  
25 herein, salesmen or associate brokers within the same brokerage  
26 office shall not be required to pay a similar tax upon the same  
27 transaction.

28  
29 **Sec. 3.** RCW 82.04.290 and 1995 c 229 s 3 are each amended to  
30 read as follows:

1 (1) Upon every person engaging within this state in the  
2 business of providing selected business services other than or in  
3 addition to those enumerated in RCW 82.04.250 or 82.04.270; as to  
4 such persons the amount of tax on account of such activities shall  
5 be equal to the gross income of the business multiplied by the rate  
6 of (~~(2.5)~~) 1.5 percent.

7 (2) Upon every person engaging within this state in banking,  
8 loan, security, investment management, investment advisory, or  
9 other financial businesses, other than or in addition to those  
10 enumerated in subsection (3) of this section; as to such persons,  
11 the amount of the tax with respect to such business shall be equal  
12 to the gross income of the business, multiplied by the rate of  
13 (~~(1.70)~~) 1.5 percent.

14 (3) Upon every person engaging within this state in the  
15 business of providing international investment management services,  
16 as to such persons, the amount of tax with respect to such business  
17 shall be equal to the gross income or gross proceeds of sales of  
18 the business multiplied by a rate of 0.275 percent.

19 (4) Upon every person engaging within this state in any  
20 business activity other than or in addition to those enumerated in  
21 RCW 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260,  
22 82.04.270, and 82.04.280, and subsection (1), (2), and (3) of this  
23 section; as to such persons the amount of tax on account of such  
24 activities shall be equal to the gross income of the business  
25 multiplied by the rate of (~~(2.0)~~) 1.5 percent. This section  
26 includes, among others, and without limiting the scope hereof  
27 (whether or not title to materials used in the performance of such  
28 business passes to another by accession, confusion or other than by  
29 outright sale), persons engaged in the business of rendering any  
30 type of service which does not constitute a "sale at retail" or a  
31 "sale at wholesale." The value of advertising, demonstration, and  
32 promotional supplies and materials furnished to an agent by his  
33 principal or supplier to be used for informational, educational and

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1 promotional purposes shall not be considered a part of the agent's  
2 remuneration or commission and shall not be subject to taxation  
3 under this section."

4

5 Correct the title accordingly.

**EFFECT:** Reduces the 1993 business and occupation tax service  
rate increases by the fifty percent remaining after the  
enactment of SB 6117.