

1706

Sponsor(s): Representatives Morris and Cairnes; by request of Department of Revenue

Brief Description: Authorizing the department of revenue to issue direct pay permits.

HB 1706 - DIGEST

(DIGEST AS ENACTED)

Finds that programs to allow buyers to remit sales and use tax, rather than traditional collection and remittance by the seller of sales and use tax, can assist in tax compliance, ease administrative burdens, and reduce impacts on buyers and sellers.

Declares an intent to grant the department of revenue the authority to permit certain buyers direct payment authority of tax in those instances where it can be shown, to the satisfaction of the department, that direct payment does not burden sellers and does not complicate administration for the department.

Provides that buyers authorized for direct payment will remit tax directly to the department, and will pay use tax on tangible personal property and sales tax on retail labor and/or services.

Declares that this act does not affect the requirements to use a resale certificate nor does it affect the business and occupation tax treatment of the seller.