

HOUSE BILL REPORT

HB 2063

As Passed House:

March 13, 2003

Title: An act relating to extending the expiration date for reporting requirements on timber purchases.

Brief Description: Extending the expiration date for reporting requirements on timber purchases.

Sponsors: By Representatives Kristiansen, Blake, Linville, Schoesler, Hatfield, Eickmeyer and Orcutt.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 3/4/03 [DP].

Floor Activity:

Passed House: 3/13/03, 96-0.

Brief Summary of Bill

- Delays the expiration date of a requirement that data about timber purchases be reported to the Department of Revenue from 2004 until 2007.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: Do pass. Signed by 13 members: Representatives Linville, Chair; Rockefeller, Vice Chair; Schoesler, Ranking Minority Member; Holmquist, Assistant Ranking Minority Member; Kristiansen, Assistant Ranking Minority Member; Chandler, Eickmeyer, Grant, Hunt, McDermott, Orcutt, Quall and Sump.

Staff: Jason Callahan (786-7117).

Background:

Every harvester of timber is required to pay an excise tax of 5 percent of the stumpage value of any trees that they harvest. The excise tax applies both to timber harvested from private and public lands.

Every person who purchases more than 200,000 board feet of private timber in a voluntary sale is required to report certain information to the Department of Revenue (Department). Information that is required to be reported includes the sale date, the total sale price, total acreage involved in the sale, net volume of timber purchased, road construction that was required, data from the timber cruise, and any timber thinning information. The Department may assess a penalty of \$250 for failure to report the required information.

Information gathered in the reports is used by the Department to establish tables of stumpage values. A stumpage table is required to be prepared for each species of tree that is commercially harvested in Washington. The values on the tables indicate the amount that each species would sell for at a voluntary sale made in the ordinary course of business. The stumpage value tables are used to calculate the excise tax due from each timber harvester.

The requirement to report sales information to the Department expires on July 1, 2004.

Summary of Bill:

The expiration date of the requirement that data about timber purchases be reported to the Department is expanded from 2004 until 2007.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This is a housekeeping bill that extends a current policy that allows the private and public sectors to work together. The collection of the market data is necessary for the stumpage value tables. The bill is important to the Department of Revenue, but has no fiscal impact.

Testimony Against: None.

Testified: John Ehrenreich, Washington Forest Protection Association; and Ed Ratcliffe, Washington Department of Revenue.