
HOUSE BILL 3133

State of Washington 58th Legislature 2004 Regular Session

By Representatives Fromhold, Orcutt, Kessler, Hatfield, Grant and Newhouse

Read first time 01/28/2004. Referred to Committee on Finance.

1 AN ACT Relating to promoters duties with respect to vendor tax
2 registration; and amending RCW 82.32.033.

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

4 **Sec. 1.** RCW 82.32.033 and 2003 1st sp.s. c 13 s 15 are each
5 amended to read as follows:

6 (1) A promoter of a special event within the state of Washington
7 shall not permit a vendor to make or solicit retail sales of tangible
8 personal property or services at the special event unless the promoter
9 (~~obtains~~) makes a good faith effort to obtain verification that the
10 vendor has obtained a certificate of registration from the department.

11 (2) A promoter of a special event shall:

12 (a) Keep, in addition to the records required under RCW 82.32.070,
13 a record of the dates and place of each special event, and the name,
14 address, and registration certificate number of (~~vendors~~) each vendor
15 permitted to make or solicit retail sales of tangible personal property
16 or services at the special event. The record of the date and place of
17 a special event, and the name, address, and registration certificate
18 number of each vendor at the event shall be preserved for a period of
19 one year from the date of a special event; and

1 (b) Provide to the department, within twenty days of receipt of a
2 written request from the department, a list of vendors permitted to
3 make or solicit retail sales of tangible personal property or services.
4 The list shall be in a form and contain such information as the
5 department may require, and shall include the date and place of the
6 event, and the name, address, and registration certificate number of
7 each vendor.

8 (3) If a promoter fails to make a good faith effort to comply with
9 the provisions of this section, the promoter is liable for the
10 penalties provided in this subsection (3).

11 (a) If a promoter fails to make a good faith effort to comply with
12 the provisions of subsection (1) of this section, the department shall
13 impose a penalty of one hundred dollars for each vendor permitted to
14 make or solicit retail sales of tangible personal property or services
15 at the special event.

16 (b) If a promoter fails to make a good faith effort to comply with
17 the provisions of subsection (2)(b) of this section, the department
18 shall impose a penalty of:

19 (i) Two hundred fifty dollars if the information requested is not
20 received by the department within twenty days of the department's
21 written request; and

22 (ii) One hundred dollars for each vendor for whom the information
23 as required by subsection (2)(b) of this section is not provided to the
24 department.

25 (4) The aggregate of penalties imposed under subsection (3) of this
26 section may not exceed two thousand five hundred dollars for a special
27 event if the promoter has not previously been penalized under this
28 section. Under no circumstances is a promoter liable for sales tax or
29 business and occupation tax not remitted to the department by a vendor
30 at a special event.

31 (5) The department shall notify a promoter by mail of any penalty
32 imposed under this section, and the penalty shall be due within thirty
33 days from the date of the notice. If any penalty imposed under this
34 section is not received by the department by the due date, there shall
35 be assessed interest on the unpaid amount beginning the day following
36 the due date until the penalty is paid in full. The rate of interest
37 shall be computed on a daily basis on the amount of outstanding penalty

1 at the rate as computed under RCW 82.32.050(2). The rate computed
2 shall be adjusted annually in the same manner as provided in RCW
3 82.32.050(1)(c).

4 (6) For purposes of this section:

5 (a) "Promoter" means a person who organizes, operates, or sponsors
6 a special event and who contracts with vendors for participation in the
7 special event.

8 (b) "Special event" means an entertainment, amusement,
9 recreational, educational, or marketing event, whether held on a
10 regular or irregular basis, at which more than one vendor makes or
11 solicits retail sales of tangible personal property or services. The
12 term includes, but is not limited to: Auto shows, recreational vehicle
13 shows, boat shows, home shows, garden shows, hunting and fishing shows,
14 stamp shows, comic book shows, sports memorabilia shows, craft shows,
15 art shows, antique shows, flea markets, exhibitions, festivals,
16 concerts, swap meets, bazaars, carnivals, athletic contests, circuses,
17 fairs, or other similar activities. "Special event" does not include
18 an event that is organized for the exclusive benefit of any nonprofit
19 organization as defined in RCW 82.04.3651. An event is organized for
20 the exclusive benefit of a nonprofit organization if all of the gross
21 proceeds of retail sales of all vendors at the event inure to the
22 benefit of the nonprofit organization on whose behalf the event is
23 being held. "Special event" does not include athletic contests that
24 involve competition between teams, when such competition consists of
25 more than five contests in a calendar year by at least one team at the
26 same facility or site.

27 (c) "Vendor" means a person who, at a special event, makes or
28 solicits retail sales of tangible personal property or services.

29 (7) "Good faith effort to comply" and "good faith effort to obtain"
30 may be shown by, but is not limited to, circumstances where a vendor:

31 (a) Includes a statement on all written contracts with its vendors
32 that a valid registration certificate number issued by the department
33 of revenue is required for participation in the special event and
34 requires vendors to indicate their registration certificate number on
35 these contracts; and

36 (b) Provides the department with a list of vendors and their
37 associated registration certificate numbers as provided in subsection
38 (2)(b) of this section.

1 (8) This section does not apply to:

2 (a) A special event whose promoter does not charge more than two
3 hundred dollars for a vendor to participate in a special event;

4 (b) A special event whose promoter charges a percentage of sales
5 instead of, or in addition to, a flat charge for a vendor to
6 participate in a special event if the promoter, in good faith, believes
7 that no vendor will pay more than two hundred dollars to participate in
8 the special event; or

9 (c) A person who does not organize, operate, or sponsor a special
10 event, but only provides a venue, supplies, furnishings, fixtures,
11 equipment, or services to a promoter of a special event.

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