

HB 3159 - H AMD 823

By Representative Upthegrove

1 On page 7, after line 16, insert the following:

2 "(12) Upon every person engaging within this state in
3 inspecting, testing, labeling, and storing canned salmon owned by
4 another person, as to such persons, the amount of tax with respect
5 to such activities shall be equal to the gross income derived from
6 such activities multiplied by the rate of 0.484 percent."

7 On page 27, after line 22, insert the following:

8 "NEW SECTION. Sec. 14. A new section is added to chapter
9 82.08 RCW to read as follows:

10 (1) The tax levied by RCW 82.08.020 does not apply to sales to
11 persons who are subject to tax under RCW 82.04.260(12) of: (a)
12 Materials used to package canned salmon including, but not limited
13 to, clear wrap, boxes, tape, and box labels; and (b) glue, ink, or
14 similar tangible personal property, that: (i) Affixes the label to
15 the labeled product; or (ii) becomes a component of the label.

16 (2) The exemption is available only if the buyer provides the
17 seller with an exemption certificate in a form and manner
18 prescribed by the department. The seller must retain a copy of the
19 certificate for the seller's files.

20 NEW SECTION. Sec. 15. A new section is added to chapter
21 82.12 RCW to read as follows:

22 The provisions of this chapter do not apply with respect to
23 the use by persons who are subject to tax under RCW 82.04.260(12)
24 of: (a) Materials used to package canned salmon including, but not
25 limited to, clear wrap, boxes, tape, and box labels; and (b) glue,
26 ink, or similar tangible personal property, that: (i) Affixes the

1 label to the labeled product; or (ii) becomes a component of the
2 label."

3 Renumber remaining sections consecutively, correct internal
4 references accordingly, and correct the title.

EFFECT: Reduces the B&O tax rate to 0.484 percent for persons that inspect, test, label, and store canned salmon owned by another person. Exempts these businesses from sales and use taxes on materials used in the labeling or packaging of canned salmon.