

FINAL BILL REPORT

ESB 6663

C 86 L 08

Synopsis as Enacted

Brief Description: Improving tax program administration by correcting, clarifying, eliminating, repealing, and decodifying statutes related to the department of revenue.

Sponsors: Senators Schoesler, Pridemore, Roach, Zarelli, Holmquist, Keiser and Kohl-Welles.

Senate Committee on Ways & Means

House Committee on Finance

Background: When legislation is enacted, it frequently contains references to other statutes. These references may become erroneous due to changes made to the referenced statutes by other legislation enacted during the same legislative session. In addition, statutes sometimes include provisions that are limited in time. These provisions become obsolete with the passage of time.

From time to time, statutory revisions are made for the purpose of increasing clarity or improving administration.

Summary: Technical corrections are made to various provisions of the tax code by: (1) simplifying the tax code by repealing several obsolete provisions and removing extraneous language; and (2) clarifying statutory provisions.

Local Sales & Use Taxes. Eliminates obsolete language including: contingencies which occurred; references to the motor vehicle excise tax revenue distributions; dates which have passed; and references to the Safeco stadium contract provisions which are obsolete.

Litter Tax Study. Removes the requirement that the Department of Revenue (DOR) conduct a litter tax study to evaluate collections and enforcement. Recent studies have shown a high rate of compliance.

Cigarette Tax. Deletes statutory references to "mills" per cigarette, replacing it with "cents."

Leasehold Excise Tax. Deletes obsolete language relating to 2001-03 biennium account transfers. Repeals obsolete statute concerning cancellation of taxes levied for collection in 1976 and decodifies related severability and effective date sections.

Property Tax. Removes references in RCW 84.09.030 to the obsolete dates for establishing property tax district boundaries, deleting statutory references to dates earlier than August 1. Removes the requirement for DOR to compute a hypothetical state property tax levy without regard to the reduction of state property tax levy for collection in 1996.

Votes on Final Passage:

Senate	48	0
House	96	0

Effective: June 12, 2008