

SENATE BILL REPORT

HB 2659

As Reported by Senate Committee On:
Natural Resources, Ocean & Recreation, February 25, 2010

Title: An act relating to modifying reporting requirements for timber purchases.

Brief Description: Modifying reporting requirements for timber purchases.

Sponsors: Representatives Ormsby, Orcutt, Blake, Smith, Sullivan and Van De Wege.

Brief History: Passed House: 2/13/10, 95-0.

Committee Activity: Natural Resources, Ocean & Recreation: 2/24/10, 2/25/10 [DP].

SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

Majority Report: Do pass.

Signed by Senators Jacobsen, Chair; Ranker, Vice Chair; Morton, Ranking Minority Member; Hargrove, Hatfield and Stevens.

Staff: Curt Gavigan (786-7437)

Background: Generally, a purchaser of in excess of 200,000 board feet of privately owned timber must submit a timber purchase report to the Department of Revenue (DOR). The information collected on a timber purchase report includes: the purchaser's name; the sale date; the sale price; the volume of timber purchased; and any road improvements made.

Information gathered from the timber purchase report is used by DOR to establish stumpage value tables. DOR must prepare such a table for each species of tree commercially harvest in Washington. Generally, stumpage value tables are used to calculate the excise tax due from a timber harvester. Harvesters pay a 5 percent excise tax on the stumpage value of harvested timber.

DOR's authority to require a timber purchase report expires July 1, 2010.

Summary of Bill: Extends DOR's authority to require a timber purchase report to July 1, 2014.

Revises the information included in a timber purchase report, including requiring: contact information for the purchaser; the seller's name, address, and contact information; a

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description of the sale area; forest practice application permit number; and a description and value of any property improvements.

Specifies that timber purchase reports are confidential taxpayer information. As such, timber purchase reports are exempt from disclosure under the Public Records Act.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The bill extends the expiration date for the timber purchase reporting requirement and has the support of the timber industry.

Persons Testifying: PRO: Representative Ormsby, prime sponsor; John Ehrenreich, Washington Forest Protection Assn.