
SENATE BILL 5744

State of Washington

61st Legislature

2009 Regular Session

By Senators Hargrove, Hatfield, Sheldon, Morton, Stevens, Murray, Honeyford, and Shin

Read first time 01/30/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to public utility tax for log transportation
2 businesses; amending RCW 82.16.010 and 82.16.020; and providing an
3 effective date.

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

5 **Sec. 1.** RCW 82.16.010 and 2007 c 6 s 1023 are each amended to read
6 as follows:

7 For the purposes of this chapter, unless otherwise required by the
8 context:

9 (1) "Railroad business" means the business of operating any
10 railroad, by whatever power operated, for public use in the conveyance
11 of persons or property for hire. It shall not, however, include any
12 business herein defined as an urban transportation business.

13 (2) "Express business" means the business of carrying property for
14 public hire on the line of any common carrier operated in this state,
15 when such common carrier is not owned or leased by the person engaging
16 in such business.

17 (3) "Railroad car business" means the business of operating stock
18 cars, furniture cars, refrigerator cars, fruit cars, poultry cars, tank
19 cars, sleeping cars, parlor cars, buffet cars, tourist cars, or any

1 other kinds of cars used for transportation of property or persons upon
2 the line of any railroad operated in this state when such railroad is
3 not owned or leased by the person engaging in such business.

4 (4) "Water distribution business" means the business of operating
5 a plant or system for the distribution of water for hire or sale.

6 (5) "Light and power business" means the business of operating a
7 plant or system for the generation, production or distribution of
8 electrical energy for hire or sale and/or for the wheeling of
9 electricity for others.

10 (6) "Telegraph business" means the business of affording
11 telegraphic communication for hire.

12 (7) "Gas distribution business" means the business of operating a
13 plant or system for the production or distribution for hire or sale of
14 gas, whether manufactured or natural.

15 (8) "Motor transportation business" means the business (except
16 urban transportation business) of operating any motor propelled vehicle
17 by which persons or property of others are conveyed for hire, and
18 includes, but is not limited to, the operation of any motor propelled
19 vehicle as an auto transportation company (except urban transportation
20 business), common carrier or contract carrier as defined by RCW
21 81.68.010 and 81.80.010(~~(+—PROVIDED, That)~~). However, "motor
22 transportation business" shall not mean or include: (a) A log
23 transportation business; or (b) the transportation of logs or other
24 forest products exclusively upon private roads or private highways.

25 (9) "Urban transportation business" means the business of operating
26 any vehicle for public use in the conveyance of persons or property for
27 hire, insofar as (a) operating entirely within the corporate limits of
28 any city or town, or within five miles of the corporate limits thereof,
29 or (b) operating entirely within and between cities and towns whose
30 corporate limits are not more than five miles apart or within five
31 miles of the corporate limits of either thereof. Included herein, but
32 without limiting the scope hereof, is the business of operating
33 passenger vehicles of every type and also the business of operating
34 cartage, pickup, or delivery services, including in such services the
35 collection and distribution of property arriving from or destined to a
36 point within or without the state, whether or not such collection or
37 distribution be made by the person performing a local or interstate
38 line-haul of such property.

1 (10) "Log transportation business" means the business of
2 transporting logs by truck, other than exclusively upon private roads.

3 (11)(a) "Public service business" means any of the businesses
4 defined in subsections (1), (2), (3), (4), (5), (6), (7), (8), ~~((and))~~
5 (9), and 10 of this section, or any business subject to control by the
6 state, or having the powers of eminent domain and the duties incident
7 thereto, or any business hereafter declared by the legislature to be of
8 a public service nature, except telephone business and low-level
9 radioactive waste site operating companies as redefined in RCW
10 81.04.010. It includes, among others, without limiting the scope
11 hereof: Airplane transportation, boom, dock, ferry, pipe line, toll
12 bridge, toll logging road, water transportation and wharf businesses.

13 (b) The definitions in this subsection ~~((+10+))~~ (11)(b) apply
14 throughout this subsection ~~((+10+))~~ (11).

15 (i) "Competitive telephone service" has the same meaning as in RCW
16 82.04.065.

17 (ii) "Network telephone service" means the providing by any person
18 of access to a telephone network, telephone network switching service,
19 toll service, or coin telephone services, or the providing of
20 telephonic, video, data, or similar communication or transmission for
21 hire, via a telephone network, toll line or channel, cable, microwave,
22 or similar communication or transmission system. "Network telephone
23 service" includes the provision of transmission to and from the site of
24 an internet provider via a telephone network, toll line or channel,
25 cable, microwave, or similar communication or transmission system.
26 "Network telephone service" does not include the providing of
27 competitive telephone service, the providing of cable television
28 service, the providing of broadcast services by radio or television
29 stations, nor the provision of internet service as defined in RCW
30 82.04.297, including the reception of dial-in connection, provided at
31 the site of the internet service provider.

32 (iii) "Telephone business" means the business of providing network
33 telephone service. It includes cooperative or farmer line telephone
34 companies or associations operating an exchange.

35 (iv) "Telephone service" means competitive telephone service or
36 network telephone service, or both, as defined in (b)(i) and (ii) of
37 this subsection.

1 (~~(11)~~) (12) "Tugboat business" means the business of operating
2 tugboats, towboats, wharf boats or similar vessels in the towing or
3 pushing of vessels, barges or rafts for hire.

4 (~~(12)~~) (13) "Gross income" means the value proceeding or accruing
5 from the performance of the particular public service or transportation
6 business involved, including operations incidental thereto, but without
7 any deduction on account of the cost of the commodity furnished or
8 sold, the cost of materials used, labor costs, interest, discount,
9 delivery costs, taxes, or any other expense whatsoever paid or accrued
10 and without any deduction on account of losses.

11 (~~(13)~~) (14) The meaning attributed, in chapter 82.04 RCW, to the
12 term "tax year," "person," "value proceeding or accruing," "business,"
13 "engaging in business," "in this state," "within this state," "cash
14 discount" and "successor" shall apply equally in the provisions of this
15 chapter.

16 **Sec. 2.** RCW 82.16.020 and 1996 c 150 s 2 are each amended to read
17 as follows:

18 (1) There is levied and there shall be collected from every person
19 a tax for the act or privilege of engaging within this state in any one
20 or more of the businesses herein mentioned. The tax shall be equal to
21 the gross income of the business, multiplied by the rate set out after
22 the business, as follows:

23 (a) Express, sewerage collection, and telegraph businesses: Three
24 and six-tenths percent;

25 (b) Light and power business: Three and sixty-two one-hundredths
26 percent;

27 (c) Gas distribution business: Three and six-tenths percent;

28 (d) Urban transportation business: Six-tenths of one percent;

29 (e) Vessels under sixty-five feet in length, except tugboats,
30 operating upon the waters within the state: Six-tenths of one percent;

31 (f) Motor transportation, railroad, railroad car, and tugboat
32 businesses, and all public service businesses other than ones mentioned
33 above: One and eight-tenths of one percent;

34 (g) Water distribution business: Four and seven-tenths percent;

35 (h) Log transportation business: One and twenty-eight hundredths
36 percent.

1 (2) An additional tax is imposed equal to the rate specified in RCW
2 82.02.030 multiplied by the tax payable under subsection (1) of this
3 section.

4 (3) Twenty percent of the moneys collected under subsection (1) of
5 this section on water distribution businesses and sixty percent of the
6 moneys collected under subsection (1) of this section on sewerage
7 collection businesses shall be deposited in the public works assistance
8 account created in RCW 43.155.050.

9 NEW SECTION. **Sec. 3.** This act takes effect August 1, 2009.

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