

---

SENATE BILL 5949

---

State of Washington                      63rd Legislature                      2013 2nd Special Session

By Senators Fraser and Kline

Read first time 06/25/13. Referred to Committee on Ways & Means.

1            AN ACT Relating to creating a liquor tax for alcohol and drug  
2 treatment; adding a new chapter to Title 82 RCW; and providing an  
3 effective date.

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

5            NEW SECTION.    **Sec. 1.**    (1) The legislature finds that there is a  
6 serious shortage of alcohol and drug detoxification and treatment  
7 centers that is creating overwhelming problems for individuals,  
8 families, and the society in this state. Existing funding for  
9 detoxification and treatment for individuals addicted to alcohol and  
10 drugs is insufficient to meet the demand in this state.

11            (2) By taxing liquor, the legislature intends to raise funds for  
12 additional alcohol and drug treatment directly from a major source of  
13 the problem.

14            NEW SECTION.    **Sec. 2.**    (1) A tax is imposed on every person for the  
15 privilege of selling, at wholesale or retail, liquor in this state.  
16 The rate of the tax is equal to:

- 17            (a) In the case of beer, 1 cent per twelve ounces;  
18            (b) In the case of wine, 1 cent per four ounces; and

1 (c) In the case of spirits, 1 cent per ounce.

2 (2)(a) In calculating the amount of tax due under this section, if  
3 the total amount of liquor sold in this state during the reporting  
4 period is not a whole number, the taxable quantity must be rounded up  
5 or down to the nearest ounce, as provided in (b) of this subsection.

6 (b) For a fraction of an ounce that is equal to or greater than  
7 one-half ounce, the taxable quantity must be rounded up to the nearest  
8 ounce. For a fraction of an ounce that is less than one-half ounce,  
9 the taxable quantity must be rounded down to the nearest ounce.

10 (3) Chapter 82.32 RCW applies to the tax imposed in this section.  
11 The tax reporting frequency for the tax imposed in this section must  
12 coincide with the taxpayer's reporting frequency for the tax imposed in  
13 chapter 82.04 RCW.

14 (4) The department may require taxpayers to report the taxable  
15 quantity of liquor in units of measure other than ounces.

16 (5) The tax imposed in this section is in addition to all other  
17 taxes imposed in this title on the same taxable event.

18 (6) Revenues from the tax under this chapter must be deposited in  
19 the alcohol and drug treatment account created in section 5 of this  
20 act.

21 (7) The definitions in chapters 66.04, 82.04, 82.08, and 82.12 RCW  
22 apply to this chapter.

23 NEW SECTION. **Sec. 3.** (1) The tax imposed in this chapter does not  
24 apply to any successive sale of previously taxed liquor.

25 (2) Any person claiming the exemption provided in this section must  
26 maintain documentation establishing that the liquor was previously  
27 taxed under this chapter. The documentation may be in the form of  
28 information on the invoice, or certification from the previous seller,  
29 stating:

30 (a) All of the liquor, or a specific stated portion of the liquor,  
31 was previously subject to the tax imposed in this chapter; and

32 (b) The amount of tax remitted or to be remitted to the department  
33 in respect of the liquor.

34 NEW SECTION. **Sec. 4.** The tax imposed in this chapter does not  
35 apply to any activity or person that the state is prohibited from

1 taxing under the Constitution of this state or the Constitution or laws  
2 of the United States.

3 NEW SECTION. **Sec. 5.** The alcohol and drug treatment account is  
4 created in the state treasury. Expenditures from the account are  
5 subject to appropriation. Revenues from the tax in section 1 of this  
6 act must be deposited into the account. Moneys in the account must be  
7 used for additional improvements to services already provided by city,  
8 county, and state alcohol and drug treatment and detoxification  
9 programs and may not be used to supplant existing funds for such  
10 programs. Funds may be distributed by grants or by appropriation.  
11 Grant funding must be appropriated by the legislature and administered  
12 by the department of social and health services under chapter 70.96A  
13 RCW.

14 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act constitute  
15 a new chapter in Title 82 RCW.

16 NEW SECTION. **Sec. 7.** This act takes effect January 1, 2014.

--- END ---