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**SENATE BILL 5711**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Senators Rivers, Conway, and Braun

AN ACT Relating to providing a comprehensive spirits sales tax reduction for all consumers in both on-premise and off-premise settings; and amending RCW 82.08.150.

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

**Sec.**  RCW 82.08.150 and 2012 c 2 s 106 are each amended to read as follows:

(1) There is levied and collected a tax upon each retail sale of spirits in the original package at the rate of:

(a) Fifteen percent of the selling price, until July 1, 2016;

(b) 17.5 percent of the selling price, beginning July 1, 2016, until July 1, 2018;

(c) 14.5 percent of the selling price, beginning July 1, 2018, until July 1, 2020; and

(d) 11.5 percent of the selling price, beginning July 1, 2020, until July 1, 2022.

(2)(a) Until July 1, 2016, there is levied and collected a tax upon each sale of spirits in the original package at the rate of ten percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(b) Beginning July 1, 2016, until July 1, 2018, there is levied and collected a tax upon each sale of spirits in the original package at the rate of 11.7 percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(c) Beginning July 1, 2018, until July 1, 2020, there is levied and collected a tax upon each sale of spirits in the original package at the rate of 9.7 percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(d) Beginning July 1, 2020, until July 1, 2022, there is levied and collected a tax upon each sale of spirits in the original package at the rate of 7.7 percent of the selling price on sales by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(3) There is levied and collected an additional tax upon each sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of one dollar and seventy-two cents per liter.

(4)(a) Until July 1, 2016, an additional tax is imposed equal to fourteen percent multiplied by the taxes payable under subsections (1), (2), and (3) of this section.

(b) Beginning July 1, 2016, an additional tax is imposed equal to fourteen percent multiplied by the taxes payable under subsection (3) of this section.

(5) An additional tax is imposed upon each sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of seven cents per liter. All revenues collected during any month from this additional tax must be deposited in the state general fund by the twenty-fifth day of the following month.

(6)(a) Until July 1, 2016, an additional tax is imposed upon retail sale of spirits in the original package at the rate of three and four-tenths percent of the selling price.

(b) Until July 1, 2016, an additional tax is imposed upon retail sale of spirits in the original package to a restaurant spirits retailer at the rate of two and three-tenths percent of the selling price.

(c) An additional tax is imposed upon each sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of forty-one cents per liter.

(d) All revenues collected during any month from additional taxes under this subsection must be deposited in the state general fund by the twenty-fifth day of the following month.

(7)(a) An additional tax is imposed upon each retail sale of spirits in the original package at the rate of one dollar and thirty-three cents per liter.

(b) All revenues collected during any month from additional taxes under this subsection must be deposited by the twenty-fifth day of the following month into the general fund.

(8) Until July 1, 2022, the tax imposed in RCW 82.08.020 does not apply to sales of spirits in the original package. Beginning July 1, 2022, the state and local sales taxes imposed in RCW 82.08.020 and 82.14.030 apply to sales of spirits in the original package.

(9) The taxes imposed in this section must be paid by the buyer to the seller, and each seller must collect from the buyer the full amount of the tax payable in respect to each taxable sale under this section. The taxes required by this section to be collected by the seller must be stated separately from the selling price, and for purposes of determining the tax due from the buyer to the seller, it is conclusively presumed that the selling price quoted in any price list does not include the taxes imposed by this section. Sellers must report and return all taxes imposed in this section in accordance with rules adopted by the department.

(10) As used in this section, the terms, "spirits" and "package" have the same meaning as provided in chapter 66.04 RCW.

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