

HB 2350 - H AMD 918

By Representative Kraft

WITHDRAWN 02/14/2018

1 Strike everything after the enacting clause and insert the
2 following:

3

4 "Sec. 1. RCW 82.16.040 and 1996 c 111 s 4 are each amended to
5 read as follows:

6 The provisions of this chapter shall not apply to persons
7 engaging in one or more businesses taxable under this chapter whose
8 total gross income is less than two thousand five hundred dollars
9 for a monthly period or portion thereof. Any person claiming
10 exemption under this section may be required to file returns even
11 though no tax may be due. If the total gross income for a taxable
12 monthly period is two thousand five hundred dollars, or more, no
13 exemption or deductions from the gross operating revenue is allowed
14 by this provision.

15

16 **Sec. 2.** RCW 82.32.030 and 2017 c 323 s 505 are each amended to
17 read as follows:

18 (1) Except as provided in subsections (2) and (3) of this
19 section, if any person engages in any business or performs any act
20 upon which a tax is imposed by the preceding chapters, he or she
21 must, under such rules as the department prescribes, apply for and
22 obtain from the department a registration certificate. Such
23 registration certificate is personal and nontransferable and is
24 valid as long as the taxpayer continues in business and pays the tax
25 accrued to the state. In case business is transacted at two or more
26 separate places by one taxpayer, a separate registration certificate
27 for each place at which business is transacted with the public is

1 required. Each certificate must be numbered and must show the name,
2 residence, and place and character of business of the taxpayer and
3 such other information as the department of revenue deems necessary
4 and must be posted in a conspicuous place at the place of business
5 for which it is issued. Where a place of business of the taxpayer is
6 changed, the taxpayer must return to the department the existing
7 certificate, and a new certificate will be issued for the new place
8 of business. No person required to be registered under this section
9 may engage in any business taxable hereunder without first being so
10 registered. The department, by rule, may provide for the issuance of
11 certificates of registration to temporary places of business.

12 (2) Unless the person is a dealer as defined in RCW 9.41.010,
13 registration under this section is not required if the following
14 conditions are met:

15 (a)(i) A person's value of products, gross proceeds of sales, or
16 gross income of the business, from all business activities taxable
17 under chapter 82.04 RCW, is less than (~~twelve thousand~~) thirty-
18 five dollars per year; or

19 (ii) Fifty-six thousand dollars per year for persons generating
20 at least fifty percent of their taxable amount from activities
21 taxable under RCW 82.04.255, 82.04.290(2)(1) and 82.04.285;

22 (b) The person's gross income of the business from all
23 activities taxable under chapter 82.16 RCW is less than twelve
24 thousand dollars per year;

25 (c) The person is not required to collect or pay to the
26 department of revenue any other tax or fee that the department is
27 authorized to collect; and

28 (d) The person is not otherwise required to obtain a license
29 subject to the business license application procedure provided in
30 chapter 19.02 RCW.

31 (3) All persons who agree to collect and remit sales and use tax
32 to the department under the agreement must register through the
33 central registration system authorized under the agreement. Persons
34 required to register under subsection (1) of this section are not

1 relieved of that requirement because of registration under this
2 subsection (3).

3 (4) Persons registered under subsection (3) of this section who
4 are not required to register under subsection (1) of this section
5 and who are not otherwise subject to the requirements of chapter
6 19.02 RCW are not subject to the fees imposed by the department
7 under the authority of RCW 19.02.075.

8

9 **Sec. 3.** RCW 82.32.045 and 2010 1st sp.s. c 23 s 1103 are each
10 amended to read as follows:

11 (1) Except as otherwise provided in this chapter, payments of
12 the taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and
13 82.16 RCW, along with reports and returns on forms prescribed by the
14 department, are due monthly within twenty-five days after the end of
15 the month in which the taxable activities occur.

16 (2) The department of revenue may relieve any taxpayer or class
17 of taxpayers from the obligation of remitting monthly and may
18 require the return to cover other longer reporting periods, but in
19 no event may returns be filed for a period greater than one year.
20 For these taxpayers, tax payments are due on or before the last day
21 of the month next succeeding the end of the period covered by the
22 return.

23 (3) The department of revenue may also require verified annual
24 returns from any taxpayer, setting forth such additional information
25 as it may deem necessary to correctly determine tax liability.

26 (4) Notwithstanding subsections (1) and (2) of this section, the
27 department may relieve any person of the requirement to file returns
28 if the following conditions are met:

29 (a) The person's value of products, gross proceeds of sales, or
30 gross income of the business, from all business activities taxable
31 under chapter 82.04 RCW, is less than:

32 (i) (~~Twenty-eight~~) Thirty-five thousand dollars per year; or

33 (ii) (~~Forty-six thousand six hundred sixty-seven~~) Fifty-six
34 thousand dollars per year for persons generating at least fifty

1 percent of their taxable amount from activities taxable under RCW
2 82.04.255, 82.04.290(2)(a), and 82.04.285;

3 (b) The person's gross income of the business from all
4 activities taxable under chapter 82.16 RCW is less than twenty-four
5 thousand dollars per year; and

6 (c) The person is not required to collect or pay to the
7 department of revenue any other tax or fee which the department is
8 authorized to collect.

9

10 NEW SECTION. Sec. 4. This act takes effect January 1, 2019."

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12 Correct the title.

13

EFFECT: Updates the filing threshold for the Public Utilities
tax. Provides a corresponding exemption from registration for those
not required to file a return. Changes the filing threshold for
service businesses to \$56,000. Provides an effective date of
January 1, 2019.

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