

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5565

Chapter 374, Laws of 2023

(partial veto)

68th Legislature
2023 Regular Session

TAXES AND REVENUE—VARIOUS PROVISIONS

EFFECTIVE DATE: July 23, 2023

Passed by the Senate April 18, 2023
Yeas 48 Nays 0

DENNY HECK

President of the Senate

Passed by the House March 24, 2023
Yeas 96 Nays 0

LAURIE JINKINS

**Speaker of the House of
Representatives**

Approved May 9, 2023 11:18 AM with
the exception of sections 2, 3, 4, 6,
7, 8, 19, and 24, which are vetoed.

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of
the Senate of the State of
Washington, do hereby certify that
the attached is **SUBSTITUTE SENATE
BILL 5565** as passed by the Senate
and the House of Representatives on
the dates hereon set forth.

SARAH BANNISTER

Secretary

FILED

May 10, 2023

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5565

AS AMENDED BY THE HOUSE

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Senate Ways & Means (originally sponsored by Senators Schoesler, Rolfes, Dozier, Nobles, and Wellman)

READ FIRST TIME 02/09/23.

1 AN ACT Relating to modifying tax and revenue laws by making
2 technical corrections, clarifying ambiguities, easing compliance
3 burdens for taxpayers, and providing administrative efficiencies;
4 amending RCW 19.150.060, 19.150.080, 19.240.080, 19.240.900,
5 35.90.020, 59.18.312, 59.18.595, 63.30.040, 82.04.4489, 82.14.070,
6 82.32.045, 82.32.105, 82.60.020, 82.60.049, 82.60.060, 82.60.070,
7 82.70.900, 82.73.030, 82.90.080, 84.52.120, 84.52.816, 88.02.620, and
8 88.26.020; reenacting and amending RCW 82.08.0206; creating a new
9 section; repealing RCW 82.12.02088, 82.27.060, and 82.70.050; and
10 providing an expiration date.

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

12 **Sec. 1.** RCW 19.150.060 and 2016 sp.s. c 6 s 1 are each amended
13 to read as follows:

14 (1) If a notice has been sent, as required by RCW 19.150.040, and
15 the total sum due has not been paid as of the date specified in the
16 preliminary lien notice, the lien proposed by this notice attaches as
17 of that date and the owner may deny an occupant access to the space,
18 enter the space, inventory the goods therein, and remove any property
19 found therein to a place of safe keeping. The owner must provide the
20 occupant a notice of final lien sale or final notice of disposition
21 by personal service, verified mail, or email to the occupant's last

1 known address and alternative address or email address. If the owner
2 sends notice required under this section to the occupant's last known
3 email address and does not receive a reply or receipt of delivery,
4 the owner must send a second notice to the occupant's last known
5 postal address by verified mail. The notice required under this
6 section must state all of the following:

7 (a) That the occupant's right to use the storage space has
8 terminated and that the occupant no longer has access to the stored
9 property.

10 (b) That the stored property is subject to a lien, and the amount
11 of the lien accrued and to accrue prior to the date required to be
12 specified in (c) of this subsection.

13 (c) That all the property, other than personal papers and
14 personal photographs, may be sold to satisfy the lien after a
15 specified date which is not less than (~~fourteen~~) 14 days from the
16 last date of sending of the final lien sale notice, or a minimum of
17 (~~forty-two~~) 42 days after the date when any part of the rent or
18 other charges due from the occupants remain unpaid, whichever is
19 later, unless the amount of the lien is paid. The owner is not
20 required to sell the personal property within a maximum number of
21 days of when the rent or other charges first became due. If the total
22 value of property in the storage space is less than three hundred
23 dollars, the owner may, instead of sale, dispose of the property in
24 any reasonable manner, subject to the restrictions of RCW
25 19.150.080(4). After the sale or other disposition pursuant to this
26 section has been completed, the owner shall provide an accounting of
27 the disposition of the proceeds of the sale or other disposition to
28 the occupant at the occupant's last known address and at the
29 alternative address.

30 (d) That any stored vehicles, watercraft, trailers, recreational
31 vehicles, or campers may be towed or removed from the self-service
32 storage facility in lieu of sale pursuant to RCW 19.150.160.

33 (e) That any excess proceeds of the sale or other disposition
34 under RCW 19.150.080(2) over the lien amount and reasonable costs of
35 sale will be retained by the owner and may be reclaimed by the
36 occupant, or claimed by another person, at any time for a period of
37 six months from the sale and that thereafter the proceeds will be
38 turned over to the state as abandoned property as provided in chapter
39 63.30 RCW (~~63.29.165~~).

1 (f) That any personal papers and personal photographs will be
2 retained by the owner and may be reclaimed by the occupant at any
3 time for a period of six months from the sale or other disposition of
4 property and that thereafter the owner may dispose of the personal
5 papers and photographs in a reasonable manner, subject to the
6 restrictions of RCW 19.150.080(3).

7 (g) That the occupant has no right to repurchase any property
8 sold at the lien sale.

9 (2) The owner may not send by email the notice required under
10 this section to the occupant's last known address or alternative
11 address unless:

12 (a) The occupant expressly agrees to notice by email;

13 (b) The rental agreement executed by the occupant specifies in
14 bold type that notices will be given to the occupant by email;

15 (c) The owner provides the occupant with the email address from
16 which notices will be sent and directs the occupant to modify his or
17 her email settings to allow email from that address to avoid any
18 filtration systems; and

19 (d) The owner notifies the occupant of any change in the email
20 address from which notices will be sent prior to the address change.

21 ***Sec. 2. RCW 19.150.080 and 2007 c 113 s 5 are each amended to**
22 **read as follows:**

23 **(1) After the expiration of the time given in the final notice of**
24 **lien sale pursuant to RCW 19.150.060, the property, other than**
25 **personal papers and personal photographs, may be sold or disposed of**
26 **in a reasonable manner as provided in this section.**

27 **(2) (a) If the property has a value of (~~three hundred dollars~~)**
28 **\$300 or more, the sale shall be conducted in a commercially**
29 **reasonable manner, and, after applying the proceeds to costs of the**
30 **sale and then to the amount of the lien, the owner shall retain any**
31 **excess proceeds of the sale on the occupant's behalf. The occupant,**
32 **or any other person having a court order or other judicial process**
33 **against the property, may claim the excess proceeds, or a portion**
34 **thereof sufficient to satisfy the particular claim, at any time**
35 **within six months of the date of sale.**

36 **(b) If the property has a value of less than (~~three hundred~~**
37 **dollars)) \$300, the property may be disposed of in a reasonable**
38 **manner.**

1 (3) Personal papers and personal photographs that are not
2 reclaimed by the occupant within six months of a sale under
3 subsection (2)(a) of this section or other disposition under
4 subsection (2)(b) of this section may be disposed of in a reasonable
5 manner.

6 (4) No employee or owner, or family member of an employee or
7 owner, may acquire, directly or indirectly, the property sold
8 pursuant to subsection (2)(a) of this section or disposed of pursuant
9 to subsection (2)(b) of this section, or personal papers and personal
10 photographs disposed of under subsection (3) of this section.

11 (5) The owner is entitled to retain any interest earned on the
12 excess proceeds until the excess proceeds are claimed by another
13 person or are turned over to the state as abandoned property pursuant
14 to chapter 63.30 RCW ((63.29.165)).

**Sec. 2 was vetoed. See message at end of chapter.*

15 *Sec. 3. RCW 19.240.080 and 2004 c 168 s 9 are each amended to
16 read as follows:

17 An issuer is not required to honor a gift certificate presumed
18 abandoned under chapter 63.30 RCW ((63.29.110₇)) if it is
19 reported(₇) and delivered to the department of revenue in the
20 dissolution of a business association.

**Sec. 3 was vetoed. See message at end of chapter.*

21 *Sec. 4. RCW 19.240.900 and 2004 c 168 s 18 are each amended to
22 read as follows:

23 Sections 1 through 12 of this act apply to:

- 24 (1) Gift certificates issued on or after July 1, 2004; and
25 (2) Those gift certificates presumed abandoned on or after July
26 1, 2004, and not reported as provided in chapter 63.30 RCW
27 ((63.29.170(4))).

**Sec. 4 was vetoed. See message at end of chapter.*

28 **Sec. 5.** RCW 35.90.020 and 2020 c 139 s 59 are each amended to
29 read as follows:

- 30 (1) Except as otherwise provided in subsection (7) of this
31 section, a city that requires a general business license of any
32 person that engages in business activities within that city must
33 partner with the department to have such license issued, and renewed

1 if the city requires renewal, through the business licensing service
2 in accordance with chapter 19.02 RCW.

3 (a) Except as otherwise provided in subsection (3) of this
4 section, the department must phase in the issuance and renewal of
5 general business licenses of cities that required a general business
6 license as of July 1, 2017, and are not already partnering with the
7 department, as follows:

8 (i) Between January 1, 2018, and December 31, 2021, the
9 department must partner with at least six cities per year;

10 (ii) Between January 1, 2022, and December 31, 2027, the
11 department must partner with the remaining cities; or

12 (iii) Between July 1, 2017 and December 31, 2022, the department
13 must partner with all cities requiring a general business license if
14 specific funding for the purposes of this subsection (1)(a)(iii) is
15 appropriated in the omnibus appropriations act.

16 (b) A city that imposes a general business license requirement
17 and does not partner with the department as of January 1, 2018, may
18 continue to issue and renew its general business licenses until the
19 city partners with the department as provided in subsection (4) of
20 this section.

21 (2)(a) A city that did not require a general business license as
22 of July 1, 2017, but imposes a new general business license
23 requirement after that date must advise the department in writing of
24 its intent to do so at least (~~ninety~~) 90 days before the
25 requirement takes effect.

26 (b) If a city subject to (a) of this subsection (2) imposes a new
27 general business license requirement after July 1, 2017, the
28 department, in its sole discretion, may adjust resources to partner
29 with the imposing city as of the date that the new general business
30 licensing requirement takes effect. If the department cannot
31 reallocate resources, the city may issue and renew its general
32 business license until the department is able to partner with the
33 city.

34 (3) The department may delay assuming the duties of issuing and
35 renewing general business licenses beyond the dates provided in
36 subsection (1)(a) of this section if:

37 (a) Insufficient funds are appropriated for this specific
38 purpose;

1 (b) The department cannot ensure the business licensing system is
2 adequately prepared to handle all general business licenses due to
3 unforeseen circumstances;

4 (c) The department determines that a delay is necessary to ensure
5 that the transition to mandatory department issuance and renewal of
6 general business licenses is as seamless as possible; or

7 (d) The department receives a written notice from a city within
8 (~~sixty~~) 60 days of the date that the city appears on the
9 department's biennial partnership plan, which includes an explanation
10 of the fiscal or technical challenges causing the city to delay
11 joining the system. A delay under this subsection (3)(d) may be for
12 no more than three years.

13 (4)(a) In consultation with affected cities and in accordance
14 with the priorities established in subsection (5) of this section,
15 the department must establish a biennial plan for partnering with
16 cities to assume the issuance and renewal of general business
17 licenses as required by this section. The plan must identify the
18 cities that the department will partner with and the dates targeted
19 for the department to assume the duties of issuing and renewing
20 general business licenses.

21 (b) By January 1, 2018, and January 1st of each even-numbered
22 year thereafter until the department has partnered with all cities
23 that currently impose a general business license requirement and that
24 have not declined to partner with the department under subsection (7)
25 of this section, the department must submit the partnering plan
26 required in (a) of this subsection (4) to the governor; legislative
27 fiscal committees; house local government committee; senate financial
28 institutions, economic development and trade committee; senate local
29 government committee; affected cities; association of Washington
30 cities; association of Washington business; national federation of
31 independent business; and Washington retail association.

32 (c) The department may, in its sole discretion, alter the plan
33 required in (a) of this subsection (4) with a minimum notice of
34 (~~thirty~~) 30 days to affected cities.

35 (5) When determining the plan to partner with cities for the
36 issuance and renewal of general business licenses as required in
37 subsection (4) of this section, cities that notified the department
38 of their wish to partner with the department before January 1, 2017,
39 must be allowed to partner before other cities.

1 (6) A city that partners with the department for the issuance and
2 renewal of general business licenses through the business licensing
3 service in accordance with chapter 19.02 RCW may not issue and renew
4 those licenses.

5 (7) (a) Except as provided in (b) of this subsection, a city may
6 decline to partner with the department for the issuance and renewal
7 of a general business license as provided in subsection (1) of this
8 section if the city participates in the online local business license
9 and tax filing portal known as "FileLocal" as of July 1, 2020.

10 (b) A city that receives at least (~~one million nine hundred~~
11 ~~fifty thousand dollars~~) \$1,950,000 in fiscal year 2020 for temporary
12 streamlined sales tax mitigation under the 2019 omnibus
13 appropriations act, section 722, chapter 415, Laws of 2019, may
14 decline to partner with the department for the issuance and renewal
15 of a general business license as provided in subsection (1) of this
16 section if the city participates in FileLocal as of July 1, 2021.

17 (c) For the purposes of this subsection (7), a city is considered
18 to be a FileLocal participant as of the date that a business may
19 access FileLocal for purposes of applying for or renewing that city's
20 general business license and reporting and paying that city's local
21 business and occupation taxes. A city that ceases participation in
22 FileLocal after July 1, 2020, or July 1, 2021, in the case of a city
23 eligible for the extension under (b) of this subsection, must partner
24 with the department for the issuance and renewal of its general
25 business license as provided in subsection (1) of this section.

26 (~~(8) By January 1, 2019, and each January 1st thereafter through~~
27 ~~January 1, 2028, the department must submit a progress report to the~~
28 ~~legislature. The report required by this subsection must provide~~
29 ~~information about the progress of the department's efforts to partner~~
30 ~~with all cities that impose a general business license requirement~~
31 ~~and include:~~

32 ~~(a) A list of cities that have partnered with the department as~~
33 ~~required in subsection (1) of this section;~~

34 ~~(b) A list of cities that have not partnered with the department;~~

35 ~~(c) A list of cities that are scheduled to partner with the~~
36 ~~department during the upcoming calendar year;~~

37 ~~(d) A list of cities that have declined to partner with the~~
38 ~~department as provided in subsection (7) of this section;~~

39 ~~(e) An explanation of lessons learned and any process~~
40 ~~efficiencies incorporated by the department;~~

1 ~~(f) Any recommendations to further simplify the issuance and~~
2 ~~renewal of general business licenses by the department; and~~
3 ~~(g) Any other information the department considers relevant.)~~

4 ***Sec. 6. RCW 59.18.312 and 2011 c 132 s 17 are each amended to**
5 **read as follows:**

6 **(1) A landlord shall, upon the execution of a writ of restitution**
7 **by the sheriff, enter and take possession of any property of the**
8 **tenant found on the premises. The landlord may store the property in**
9 **any reasonably secure place, including the premises, and sell or**
10 **dispose of the property as provided under subsection (3) of this**
11 **section. The landlord must store the property if the tenant serves a**
12 **written request to do so on the landlord or the landlord's**
13 **representative by any of the methods described in RCW 59.18.365 no**
14 **later than three days after service of the writ. A landlord may elect**
15 **to store the property without such a request unless the tenant or the**
16 **tenant's representative objects to the storage of the property. If**
17 **the tenant or the tenant's representative objects to the storage of**
18 **the property or the landlord elects not to store the property because**
19 **the tenant has not served a written request on the landlord to do so,**
20 **the property shall be deposited upon the nearest public property and**
21 **may not be stored by the landlord. If the landlord knows that the**
22 **tenant is a person with a disability as defined in RCW 49.60.040 (as**
23 **amended by chapter 317, Laws of 2007) and the disability impairs or**
24 **prevents the tenant or the tenant's representative from making a**
25 **written request for storage, it must be presumed that the tenant has**
26 **requested the storage of the property as provided in this section**
27 **unless the tenant objects in writing.**

28 **(2) Property stored under this section shall be returned to the**
29 **tenant after the tenant has paid the actual or reasonable drayage and**
30 **storage costs, whichever is less, or until it is sold or disposed of**
31 **by the landlord in accordance with subsection (3) of this section.**

32 **(3) Prior to the sale of property stored pursuant to this section**
33 **with a cumulative value of over (~~two hundred fifty dollars~~) \$250,**
34 **the landlord shall notify the tenant of the pending sale. After**
35 **(~~thirty~~) 30 days from the date the notice of the sale is mailed or**
36 **personally delivered to the tenant's last known address, the landlord**
37 **may sell the property, including personal papers, family pictures,**
38 **and keepsakes, and dispose of any property not sold.**

1 If the property that is being stored has a cumulative value of
2 (~~two hundred fifty dollars~~) \$250 or less, then the landlord may
3 sell or dispose of the property in the manner provided in this
4 section, except for personal papers, family pictures, and keepsakes.
5 Prior to the sale or disposal of property stored pursuant to this
6 section with a cumulative value of (~~two hundred fifty dollars~~) \$250
7 or less, the landlord shall notify the tenant of the pending sale or
8 disposal. The notice shall either be mailed to the tenant's last
9 known address or personally delivered to the tenant. After seven days
10 from the date the notice is mailed or delivered to the tenant, the
11 landlord may sell or dispose of the property.

12 The landlord may apply any income derived from the sale of the
13 tenant's property against moneys due the landlord for drayage and
14 storage of the property. The amount of sale proceeds that the
15 landlord may apply towards such costs may not exceed the actual or
16 reasonable costs for drayage and storage of the property, whichever
17 is less. Any excess income derived from the sale of such property
18 shall be held by the landlord for the benefit of the tenant for a
19 period of one year from the date of the sale. If no claim is made or
20 action commenced by the tenant for the recovery of the excess income
21 prior to the expiration of that period of time, then the balance
22 shall be treated as abandoned property and deposited by the landlord
23 with the department of revenue pursuant to chapter (~~63-29~~) 63.30
24 RCW.

25 (4) Nothing in this section shall be construed as creating a
26 right of distress for rent.

27 (5) When serving a tenant with a writ of restitution pursuant to
28 RCW 59.12.100 and 59.18.410, the sheriff shall provide written notice
29 to the tenant that: (a) Upon execution of the writ, the landlord must
30 store the tenant's property only if the tenant serves a written
31 request on the landlord to do so no later than three days after
32 service of the writ; (b) the notice to the landlord requesting
33 storage may be served by personally delivering or mailing a copy of
34 the request to the landlord at the address identified in, or by
35 facsimile to the facsimile number listed on, the form described under
36 subsection (6) of this section; (c) if the tenant has not made such a
37 written request to the landlord, the landlord may elect to either
38 store the tenant's property or place the tenant's property on the
39 nearest public property unless the tenant objects; (d) if the
40 property is stored, it may not be returned to the tenant unless the

1 tenant pays the actual or reasonable costs of drayage and storage,
2 whichever is less, within ((thirty)) 30 days; (e) if the tenant or
3 the tenant's representative objects to storage of the property, it
4 will not be stored but will be placed on the nearest public property;
5 and (f) the landlord may sell or otherwise dispose of the property as
6 provided in subsection (3) of this section if the landlord provides
7 written notice to the tenant first.

8 (6) When serving a tenant with a writ of restitution under
9 subsection (5) of this section, the sheriff shall also serve the
10 tenant with a form provided by the landlord that can be used to
11 request the landlord to store the tenant's property, which must be
12 substantially in the following form:

13 **REQUEST FOR STORAGE OF PERSONAL PROPERTY**

14
15 **Name of Plaintiff**

16
17 **Name(s) of Tenant(s)**

18 I/we hereby request the landlord to store our personal property.
19 I/we understand that I/we am/are responsible for the actual or
20 reasonable costs of moving and storing the property, whichever is
21 less. If I/we fail to pay these costs, the landlord may sell or
22 dispose of the property pursuant to and within the time frame
23 permitted under RCW 59.18.312(3).

24 Any notice of sale required under RCW 59.18.312(3) must be sent
25 to the tenants at the following address:

26
27
28

29 **IF NO ADDRESS IS PROVIDED, NOTICE OF SALE WILL BE SENT TO THE LAST**
30 **KNOWN ADDRESS OF THE TENANT(S)**

31 **Dated:**

32
33 **Tenant-Print Name**

34

1 *Tenant-Print Name*

2 *This notice may be delivered or mailed to the landlord or the*
3 *landlord's representative at the following address:*

4
5
6

7 *This notice may also be served by facsimile to the landlord or the*
8 *landlord's representative at:*

9

10 *Facsimile Number*

11 **IMPORTANT**

12 *IF YOU WANT YOUR LANDLORD TO STORE YOUR PROPERTY, THIS WRITTEN*
13 *REQUEST MUST BE RECEIVED BY THE LANDLORD NO LATER THAN THREE (3) DAYS*
14 *AFTER THE SHERIFF SERVES THE WRIT OF RESTITUTION. YOU SHOULD RETAIN*
15 *PROOF OF SERVICE.*

**Sec. 6 was vetoed. See message at end of chapter.*

16 **Sec. 7. RCW 59.18.595 and 2015 c 264 s 3 are each amended to*
17 *read as follows:*

18 *(1) In the event of the death of a tenant who is the sole*
19 *occupant of the dwelling unit:*

20 *(a) The landlord, upon learning of the death of the tenant, shall*
21 *promptly mail or personally deliver written notice to any known*
22 *personal representative, known designated person, emergency contact*
23 *identified by the tenant on the rental application, known person*
24 *reasonably believed to be a successor of the tenant as defined in RCW*
25 *11.62.005, and to the deceased tenant at the address of the dwelling*
26 *unit. If the landlord knows of any address used for the receipt of*
27 *electronic communications, the landlord shall email the notice to*
28 *that address as well. The notice must include:*

29 *(i) The name of the deceased tenant and address of the dwelling*
30 *unit;*

31 *(ii) The approximate date of the deceased tenant's death;*

32 *(iii) The rental amount and date through which rent is paid;*

33 *(iv) A statement that the tenancy will terminate ((fifteen)) 15*
34 *days from the date the notice is mailed or personally delivered or*
35 *the date through which rent is paid, whichever comes later, unless*

1 during that time period a tenant representative makes arrangements
2 with the landlord to pay rent in advance for no more than ((~~sixty~~))
3 60 days from the date of the tenant's death to allow a tenant
4 representative to arrange for orderly removal of the tenant's
5 property. At the end of the period for which the rent has been paid
6 pursuant to this subsection, the tenancy ends;

7 (v) A statement that failure to remove the tenant's property
8 before the tenancy is terminated or ends as provided in (a)(iv) of
9 this subsection will allow the landlord to enter the dwelling unit
10 and take possession of any property found on the premises, store it
11 in a reasonably secure place, and charge the actual or reasonable
12 costs, whichever is less, of drayage and storage of the property, and
13 after service of a second notice sell or dispose of the property as
14 provided in subsection (3) of this section; and

15 (vi) A copy of any designation executed by the tenant pursuant to
16 RCW 59.18.590;

17 (b) The landlord shall turn over possession of the tenant's
18 property to a tenant representative if a request is made in writing
19 within the specified time period or any subsequent date agreed to by
20 the parties;

21 (c) Within ((~~fourteen~~)) 14 days after the removal of the property
22 by the tenant representative, the landlord shall refund any unearned
23 rent and shall give a full and specific statement of the basis for
24 retaining any deposit together with the payment of any refund due the
25 deceased tenant under the terms and conditions of the rental
26 agreement to the tenant representative; and

27 (d) Any tenant representative who removes property from the
28 tenant's dwelling unit or the premises must, at the time of removal,
29 provide to the landlord an inventory of the removed property and
30 signed acknowledgment that he or she has only been given possession
31 and not ownership of the property.

32 (2) A landlord shall send a second written notice before selling
33 or disposing of a deceased tenant's property.

34 (a) If the tenant representative makes arrangements with the
35 landlord to pay rent in advance as provided in subsection (1)(a)(iv)
36 of this section, the landlord shall mail a second written notice to
37 any known personal representative, known designated person, emergency
38 contact identified by the tenant on the rental application, known
39 person reasonably believed to be a successor of the tenant as defined

1 in RCW 11.62.005, and to the deceased tenant at the dwelling unit.
2 The second notice must include:

3 (i) The name, address, and phone number or other contact
4 information for the tenant representative, if known, who made the
5 arrangements to pay rent in advance;

6 (ii) The amount of rent paid in advance and date through which
7 rent was paid; and

8 (iii) A statement that the landlord may sell or dispose of the
9 property on or after the date through which rent is paid or at least
10 (~~forty-five~~) 45 days after the second notice is mailed, whichever
11 comes later, if a tenant representative does not claim and remove the
12 property in accordance with this subsection.

13 (b) If the landlord places the property in storage pursuant to
14 subsection (1)(a) of this section, the landlord shall mail a second
15 written notice, unless a written notice under (a) of this subsection
16 has already been provided, to any known personal representative,
17 known designated person, emergency contact identified by the tenant
18 on the rental application, known person reasonably believed to be a
19 successor of the tenant as defined in RCW 11.62.005, and to the
20 deceased tenant at the dwelling unit. The second notice must state
21 that the landlord may sell or dispose of the property on or after a
22 specified date that is at least (~~forty-five~~) 45 days after the
23 second notice is mailed if a tenant representative does not claim and
24 remove the property in accordance with this subsection.

25 (c) The landlord shall turn over possession of the tenant's
26 property to a tenant representative if a written request is made
27 within the applicable time periods after the second notice is mailed,
28 provided the tenant representative: (i) Pays the actual or reasonable
29 costs, whichever is less, of drayage and storage of the property, if
30 applicable; and (ii) gives the landlord an inventory of the property
31 and signs an acknowledgment that he or she has only been given
32 possession and not ownership of the property.

33 (d) Within (~~fourteen~~) 14 days after the removal of the property
34 by the tenant representative, the landlord shall refund any unearned
35 rent and shall give a full and specific statement of the basis for
36 retaining any deposit together with the payment of any refund due the
37 deceased tenant under the terms and conditions of the rental
38 agreement to the tenant representative.

39 (3) (a) If a tenant representative has not contacted the landlord
40 or removed the deceased tenant's property within the applicable time

1 periods under this section, the landlord may sell or dispose of the
2 deceased tenant's property, except for personal papers and personal
3 photographs, as provided in this subsection.

4 (i) If the landlord reasonably estimates the fair market value of
5 the stored property to be more than (~~one thousand dollars~~) \$1,000,
6 the landlord shall arrange to sell the property in a commercially
7 reasonable manner and may dispose of any property that remains unsold
8 in a reasonable manner.

9 (ii) If the value of the stored property does not meet the
10 threshold provided in (a)(i) of this subsection, the landlord may
11 dispose of the property in a reasonable manner.

12 (iii) The landlord may apply any income derived from the sale of
13 the property pursuant to this section against any costs of sale and
14 moneys due the landlord, including actual or reasonable costs,
15 whichever is less, of drayage and storage of the deceased tenant's
16 property. Any excess income derived from the sale of such property
17 under this section must be held by the landlord for a period of one
18 year from the date of sale, and if no claim is made for recovery of
19 the excess income before the expiration of that one-year period, the
20 balance must be treated as abandoned property and deposited by the
21 landlord with the department of revenue pursuant to chapter (~~63-29~~)
22 63.30 RCW.

23 (b) Personal papers and personal photographs that are not claimed
24 by a tenant representative within (~~ninety~~) 90 days after a sale or
25 other disposition of the deceased tenant's other property shall be
26 either destroyed or held for the benefit of any successor of the
27 deceased tenant as defined in RCW 11.62.005.

28 (c) No landlord or employee of a landlord, or his or her family
29 members, may acquire, directly or indirectly, the property sold
30 pursuant to (a)(i) of this subsection or disposed of pursuant to
31 (a)(ii) of this subsection.

32 (4) Upon learning of the death of the tenant, the landlord may
33 enter the deceased tenant's dwelling unit and immediately dispose of
34 any perishable food, hazardous materials, and garbage found on the
35 premises and turn over animals to a tenant representative or to an
36 animal control officer, humane society, or other individual or
37 organization willing to care for the animals.

38 (5) Any notices sent by the landlord under this section must
39 include a mailing address, any address used for the receipt of
40 electronic communications, and a telephone number of the landlord.

1 (6) If a landlord knowingly violates this section, the landlord
2 is liable to the deceased tenant's estate for actual damages. The
3 prevailing party in any action pursuant to this subsection may
4 recover costs and reasonable attorneys' fees.

5 (7) A landlord who complies with this section is relieved from
6 any liability relating to the deceased tenant's property.

*Sec. 7 was vetoed. See message at end of chapter.

7 *Sec. 8. RCW 63.30.040 and 2022 c 225 s 201 are each amended to
8 read as follows:

9 Subject to RCW 63.30.120, the following property is presumed
10 abandoned if it is unclaimed by the apparent owner during the period
11 specified below:

12 (1) A traveler's check, 15 years after issuance;

13 (2) A money order, five years after issuance;

14 (3) A state or municipal bond, bearer bond, or original issue
15 discount bond, three years after the earliest of the date the bond
16 matures or is called or the obligation to pay the principal of the
17 bond arises;

18 (4) A debt of a business association, three years after the
19 obligation to pay arises;

20 (5) A demand, savings, or time deposit, including a deposit that
21 is automatically renewable, three years after the later of maturity,
22 if applicable, of the deposit or the owner's last indication of
23 interest in the deposit, except a deposit that is automatically
24 renewable is deemed matured on its initial date of maturity unless
25 the apparent owner consented in a record on file with the holder to
26 renewal at or about the time of the renewal;

27 (6) Money or a credit owed to a customer as a result of a retail
28 business transaction, three years after the obligation arose;

29 (7) An amount owed by an insurance company on a life or endowment
30 insurance policy or an annuity contract that has matured or
31 terminated, three years after the obligation to pay arose under the
32 terms of the policy or contract or, if a policy or contract for which
33 an amount is owed on proof of death has not matured by proof of the
34 death of the insured or annuitant, as follows:

35 (a) With respect to an amount owed on a life or endowment
36 insurance policy, three years after the earlier of the date:

37 (i) The insurance company has knowledge of the death of the
38 insured; or

1 (ii) The insured has attained, or would have attained if living,
2 the limiting age under the mortality table on which the reserve for
3 the policy is based; and

4 (b) With respect to an amount owed on an annuity contract, three
5 years after the date the insurance company has knowledge of the death
6 of the annuitant;

7 (8) Property distributable by a business association in the
8 course of dissolution, one year after the property becomes
9 distributable;

10 (9) Property held by a court, including property received as
11 proceeds of a class action, one year after the property becomes
12 distributable;

13 (10) Property held by a government or governmental subdivision,
14 agency, or instrumentality, including municipal bond interest and
15 unredeemed principal under the administration of a paying agent or
16 indenture trustee, one year after the property becomes distributable;

17 (11) Wages, commissions, bonuses, or reimbursements to which an
18 employee is entitled, or other compensation for personal services,
19 one year after the amount becomes payable;

20 (12) A deposit or refund owed to a subscriber by a utility, one
21 year after the deposit or refund becomes payable; ((and))

22 (13) Payroll card, one year after the amount becomes payable;
23 ((and))

24 (14) Excess proceeds from the sale of property by an owner of a
25 self-service storage facility conducted pursuant to RCW 19.150.080,
26 six months from the date of sale;

27 (15) Excess income from the sale of tenant property by a landlord
28 conducted pursuant to RCW 59.18.312 and 59.18.595, one year from the
29 date of the sale;

30 (16) Excess funds from the sale of an abandoned vessel by an
31 operator of a private moorage facility conducted pursuant to RCW
32 88.26.020, one year from the date of the sale; and

33 (17) Property not specified in this section or RCW 63.30.050
34 through 63.30.100, the earlier of three years after the owner first
35 has a right to demand the property or the obligation to pay or
36 distribute the property arises.

*Sec. 8 was vetoed. See message at end of chapter.

37 Sec. 9. RCW 82.04.4489 and 2022 c 270 s 5 are each amended to
38 read as follows:

1 (1) Subject to the limitations in this section, a credit is
2 allowed against the tax imposed under this chapter for contributions
3 made by a person to a Washington motion picture competitiveness
4 program.

5 (2) The person must make the contribution before claiming a
6 credit authorized under this section. Credits earned under this
7 section may be claimed against taxes due for the calendar year in
8 which the contribution is made. The amount of credit claimed for a
9 reporting period may not exceed the tax otherwise due under this
10 chapter for that reporting period. No person may claim more than
11 \$1,000,000 of credit in any calendar year, including credit carried
12 over from a previous calendar year. No refunds may be granted for any
13 unused credits.

14 (3) The maximum credit that may be earned for each calendar year
15 under this section for a person is limited to the lesser of
16 \$1,000,000 or an amount equal to (~~one hundred~~) 100 percent of the
17 contributions made by the person to a program during the calendar
18 year.

19 (4) Except as provided under subsection (5) of this section, a
20 tax credit claimed under this section may not be carried over to
21 another year.

22 (5) Any amount of tax credit otherwise allowable under this
23 section not claimed by the person in any calendar year may be carried
24 over and claimed against the person's tax liability for the next
25 succeeding calendar year. Any credit remaining unused in the next
26 succeeding calendar year may be carried forward and claimed against
27 the person's tax liability for the second succeeding calendar year;
28 and any credit not used in that second succeeding calendar year may
29 be carried over and claimed against the person's tax liability for
30 the third succeeding calendar year, but may not be carried over for
31 any calendar year thereafter.

32 (6) Credits are available on a first-in-time basis. The
33 department must disallow any credits, or portion thereof, that would
34 cause the total amount of credits claimed under this section during
35 any calendar year to exceed \$15,000,000. If this limitation is
36 reached, the department must notify all Washington motion picture
37 competitiveness programs that the annual statewide limit has been
38 met. In addition, the department must provide written notice to any
39 person who has claimed tax credits in excess of the limitation in
40 this subsection. The notice must indicate the amount of tax due and

1 provide that the tax be paid within (~~thirty~~) 30 days from the date
2 of the notice. The department may not assess penalties and interest
3 as provided in chapter 82.32 RCW on the amount due in the initial
4 notice if the amount due is paid by the due date specified in the
5 notice, or any extension thereof.

6 (7) To claim a credit under this section, a person must
7 electronically file with the department all returns, forms, and any
8 other information required by the department, in an electronic format
9 as provided or approved by the department. Any return, form, or
10 information required to be filed in an electronic format under this
11 section is not filed until received by the department in an
12 electronic format. As used in this subsection, "returns" has the same
13 meaning as "return" in RCW 82.32.050.

14 (8) No application is necessary for the tax credit. The person
15 must keep records necessary for the department to verify eligibility
16 under this section.

17 (9) A Washington motion picture competitiveness program must
18 provide to the department, upon request, such information needed to
19 verify eligibility for credit under this section, including
20 information regarding contributions received by the program.

21 (10) The department may not allow any credit under this section
22 before July 1, 2006.

23 (11) For the purposes of this section, "Washington motion picture
24 competitiveness program" or "program" means an organization
25 established pursuant to chapter 43.365 RCW.

26 (12) Persons claiming a credit against the tax imposed under this
27 chapter for contributions made to a Washington motion picture
28 competitiveness program (~~(and not otherwise receiving funding~~
29 ~~assistance under RCW 43.365.020)~~) are exempt from the annual
30 reporting requirements in RCW 82.32.534 and 43.365.040.

31 (13) No credit may be earned for contributions made on or after
32 July 1, 2030.

33 **Sec. 10.** RCW 82.08.0206 and 2022 c 41 s 1 and 2022 c 33 s 1 are
34 each reenacted and amended to read as follows:

35 (1) A working families' tax credit, in the form of a refund of
36 tax due under this chapter and chapter 82.12 RCW, is provided to
37 eligible low-income persons for sales and use taxes paid under this
38 chapter and chapter 82.12 RCW after January 1, 2022.

1 (2) For purposes of the credit in this section, the following
2 definitions apply:

3 (a) (i) "Eligible low-income person" means an individual who:

4 (A) Is eligible for the credit provided in Title 26 U.S.C. Sec.
5 32 of the internal revenue code; and

6 (B) Properly files a federal income tax return for the prior
7 federal tax year, and was a Washington resident during the year for
8 which the credit is claimed.

9 (ii) "Eligible low-income person" also means an individual who:

10 (A) Meets the requirements provided in (a) (i) (B) of this
11 subsection; and

12 (B) Would otherwise qualify for the credit provided in Title 26
13 U.S.C. Sec. 32 of the internal revenue code except for the fact that
14 the individual filed a federal income tax return for the prior
15 federal tax year using a valid individual taxpayer identification
16 number in lieu of a social security number, and the individual's
17 spouse, if any, and all qualifying children, if any, have a valid
18 individual taxpayer identification number or a social security
19 number.

20 (b) "Income" means earned income as defined by Title 26 U.S.C.
21 Sec. 32 of the internal revenue code.

22 (c) "Individual" means an individual or an individual and that
23 individual's spouse if they file a federal joint income tax return.

24 (d) "Internal revenue code" means the United States internal
25 revenue code of 1986, as amended, as of June 9, 2022, or such
26 subsequent date as the department may provide by rule consistent with
27 the purpose of this section.

28 (e) "Maximum qualifying income" means the maximum federally
29 adjusted gross income for the prior federal tax year.

30 (f) "Qualifying child" means a qualifying child as defined by
31 Title 26 U.S.C. Sec. 32 of the internal revenue code, except the
32 child may have a valid individual taxpayer identification number in
33 lieu of a social security number.

34 (g) "Washington resident" means an individual who is physically
35 present and residing in this state for at least 183 days. "Washington
36 resident" also includes an individual who is not physically present
37 and residing in this state for at least 183 days but is the spouse of
38 a Washington resident. For purposes of this subsection, "day" means a
39 calendar day or any portion of a calendar day.

1 (3) (a) Except as provided in (b) and (c) of this subsection, for
2 calendar year 2023 and thereafter, the working families' tax credit
3 refund amount for the prior calendar year is:

- 4 (i) \$300 for eligible persons with no qualifying children;
- 5 (ii) \$600 for eligible persons with one qualifying child;
- 6 (iii) \$900 for eligible persons with two qualifying children; or
- 7 (iv) \$1,200 for eligible persons with three or more qualifying
8 children.

9 (b) Except as provided in (f) of this subsection, the refund
10 amounts provided in (a) of this subsection will be reduced, rounded
11 to the nearest dollar, as follows:

12 (i) For eligible persons with no qualifying children, beginning
13 at \$2,500 of income below the federal phase-out income for the prior
14 federal tax year, by 18 percent per additional dollar of income until
15 the minimum credit amount as specified in (c) of this subsection is
16 reached.

17 (ii) For eligible persons with one qualifying child, beginning at
18 \$5,000 of income below the federal phase-out income for the prior
19 federal tax year, by 12 percent per additional dollar of income until
20 the minimum credit amount as specified in (c) of this subsection is
21 reached.

22 (iii) For eligible persons with two qualifying children,
23 beginning at \$5,000 of income below the federal phase-out income for
24 the prior federal tax year, by 15 percent per additional dollar of
25 income until the minimum credit amount as specified in (c) of this
26 subsection is reached.

27 (iv) For eligible persons with three or more qualifying children,
28 beginning at \$5,000 of income below the federal phase-out income for
29 the prior federal tax year, by 18 percent per additional dollar of
30 income until the minimum credit amount as specified in (c) of this
31 subsection is reached.

32 (c) If the refund for an eligible person as calculated in this
33 section is greater than (~~or equal to one~~) zero cents, but less than
34 \$50, the refund amount is \$50.

35 (d) The refund amounts in this section shall be adjusted for
36 inflation every year beginning January 1, 2024, based upon changes in
37 the consumer price index that are published by November 15th of the
38 previous year for the most recent 12-month period. The adjusted
39 refund amounts must be rounded to the nearest \$5.

1 (e) For purposes of this section, "consumer price index" means,
2 for any 12-month period, the average consumer price index for that
3 12-month period for the Seattle, Washington area for urban wage
4 earners and clerical workers, all items, compiled by the bureau of
5 labor statistics, United States department of labor.

6 (f) The percentage rate of remittance reductions in (b) of this
7 subsection must be adjusted every year beginning January 1, 2023,
8 based on calculations by the department that result in the minimum
9 credit being received at the maximum qualifying income level.

10 (4) The working families' tax credit shall be administered as
11 provided in this subsection.

12 (a) The refund paid under this section will be paid to eligible
13 filers who apply pursuant to this subsection.

14 (i) Application must be made to the department in a form and
15 manner determined by the department. If the application process is
16 initially done electronically, the department must provide a paper
17 application upon request. The application must include any
18 information and documentation as required by the department.

19 (ii) Application for the refund under this section must be made
20 in the year following the year for which the federal tax return was
21 filed, but in no case may any refund be provided for any period
22 before January 1, 2022. The department must use the eligible person's
23 most recent federal tax filing for the tax year for which the refund
24 is being claimed to calculate the refund.

25 (iii) A person may not claim a credit on behalf of a deceased
26 individual. No individual may claim a credit under this section for
27 any year in a disallowance period under Title 26 U.S.C. Sec. 32(k)(1)
28 of the internal revenue code or for any year for which the individual
29 is ineligible to claim the credit in Title 26 U.S.C. Sec. 32 of the
30 internal revenue code by reason of Title 26 U.S.C. Sec. 32(k)(2) of
31 the internal revenue code.

32 (b) The department shall protect the privacy and confidentiality
33 of personal data of refund recipients in accordance with chapter
34 82.32 RCW.

35 (c) The department shall, in conjunction with other agencies or
36 organizations, design and implement a public information campaign to
37 inform potentially eligible persons of the existence of, and
38 requirements for, the credit provided in this section.

39 (d) The department must work with the internal revenue service to
40 administer the credit on an automatic basis as soon as practicable.

1 (5) Receipt of the refund under this section may not be used in
2 eligibility determinations for any state income support programs or
3 in making public charge determinations.

4 (6) The department may adopt rules necessary to implement this
5 section. This includes establishing a date by which applications will
6 be accepted, with the aim of accepting applications as soon as
7 possible.

8 (7) The department must review the application and determine
9 eligibility for the working families' tax credit based on information
10 provided by the applicant and through audit and other administrative
11 records, including, when it deems it necessary, verification through
12 internal revenue service data.

13 (8) If, upon review of internal revenue service data or other
14 information obtained by the department, it appears that an individual
15 received a refund that the individual was not entitled to, or
16 received a larger refund than the individual was entitled to, the
17 department may assess against the individual the overpaid amount. The
18 department may also assess such overpaid amount against the
19 individual's spouse if the refund in question was based on both
20 spouses filing a joint federal income tax return for the year for
21 which the refund was claimed.

22 (a) Interest as provided under RCW 82.32.050 applies to
23 assessments authorized under this subsection (8) starting six months
24 after the date the department issued the assessment until the amount
25 due under this subsection (8) is paid in full to the department.
26 Except as otherwise provided in this subsection, penalties may not be
27 assessed on amounts due under this subsection.

28 (b) If an amount due under this subsection is not paid in full by
29 the date due, or the department issues a warrant for the collection
30 of amounts due under this subsection, the department may assess the
31 applicable penalties under RCW 82.32.090. Penalties under this
32 subsection (8)(b) may not be made due until six months after the
33 department's issuance of the assessment.

34 (c) If the department finds by clear, cogent, and convincing
35 evidence that an individual knowingly submitted, caused to be
36 submitted, or consented to the submission of, a fraudulent claim for
37 refund under this section, the department must assess a penalty of 50
38 percent of the overpaid amount. This penalty is in addition to any
39 other applicable penalties assessed in accordance with (b) of this
40 subsection (8).

1 (9) If, within the period allowed for refunds under RCW
2 82.32.060, the department finds that an individual received a lesser
3 refund than the individual was entitled to, the department must remit
4 the additional amount due under this section to the individual.

5 (10) Interest does not apply to refunds provided under this
6 section.

7 (11) Chapter 82.32 RCW applies to the administration of this
8 section.

9 **Sec. 11.** RCW 82.14.070 and 2003 c 168 s 202 are each amended to
10 read as follows:

11 (1) It is the intent of this chapter that any local sales and use
12 tax adopted pursuant to this chapter be identical to the state sales
13 and use tax, unless otherwise prohibited by federal law, and with
14 other local sales and use taxes adopted pursuant to this chapter.

15 (2) It is further the intent of this chapter that the local sales
16 and use tax shall be imposed upon an individual taxable event
17 simultaneously with the imposition of the state sales or use tax upon
18 the same taxable event. The rule making powers of the state
19 department of revenue contained in RCW 82.08.060 and 82.32.300 shall
20 be applicable to this chapter. The department shall, as soon as
21 practicable, and with the assistance of the appropriate associations
22 of county prosecutors and city attorneys, draft a model resolution
23 and ordinance.

24 (3) Except as otherwise provided by law, all state sales and use
25 tax exemptions, credits, and deductions apply in an identical manner
26 to local sales and use taxes adopted pursuant to this chapter or
27 other provision of law.

28 **Sec. 12.** RCW 82.32.045 and 2022 c 295 s 2 are each amended to
29 read as follows:

30 (1) Except as otherwise provided in this chapter and subsection
31 (6) of this section, payments of the taxes imposed under chapters
32 82.04, 82.08, 82.12, 82.14, ~~((and))~~ 82.16, and 82.27 RCW, along with
33 reports and returns on forms prescribed by the department, are due
34 monthly within ~~((twenty-five))~~ 25 days after the end of the month in
35 which the taxable activities occur.

36 (2) The department of revenue may relieve any taxpayer or class
37 of taxpayers from the obligation of remitting monthly and may require
38 the return to cover other longer reporting periods, but in no event

1 may returns be filed for a period greater than one year. Except as
2 provided in subsection (3) of this section, for these taxpayers, tax
3 payments are due on or before the last day of the month next
4 succeeding the end of the period covered by the return.

5 (3) For annual filers, tax payments, along with reports and
6 returns on forms prescribed by the department, are due on or before
7 April 15th of the year immediately following the end of the period
8 covered by the return.

9 (4) The department of revenue may also require verified annual
10 returns from any taxpayer, setting forth such additional information
11 as it may deem necessary to correctly determine tax liability.

12 (5) Notwithstanding subsections (1) and (2) of this section, the
13 department may relieve any person of the requirement to file returns
14 if the following conditions are met:

15 (a) The 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 \$125,000 per year;

18 (b) The person's gross income of the business from all activities
19 taxable under chapter 82.16 RCW is less than (~~(twenty-four thousand~~
20 ~~dollars)) \$24,000 per year; and~~

21 (c) The person is not required to collect or pay to the
22 department of revenue any other tax or fee which the department is
23 authorized to collect.

24 (6) (a) Taxes imposed under chapter 82.08 or 82.12 RCW on taxable
25 events that occur beginning January 1, 2019, through June 30, 2019,
26 and payable by a consumer directly to the department are due, on
27 returns prescribed by the department, by July 25, 2019.

28 (b) This subsection (6) does not apply to the reporting and
29 payment of taxes imposed under chapters 82.08 and 82.12 RCW:

30 (i) On the retail sale or use of motor vehicles, vessels, or
31 aircraft; or

32 (ii) By consumers who are engaged in business, unless the
33 department has relieved the consumer of the requirement to file
34 returns pursuant to subsection (5) of this section.

35 **Sec. 13.** RCW 82.32.105 and 2017 c 323 s 106 are each amended to
36 read as follows:

37 (1) If the department finds that the payment by a taxpayer of a
38 tax less than that properly due or the failure of a taxpayer to pay
39 any tax by the due date was the result of circumstances beyond the

1 control of the taxpayer, the department must waive or cancel any
2 penalties imposed under this chapter with respect to such tax.

3 (2) The department must waive or cancel the penalty imposed under
4 RCW 82.32.090(1) when the circumstances under which the delinquency
5 occurred do not qualify for waiver or cancellation under subsection
6 (1) of this section if:

7 (a) The taxpayer requests the waiver for a tax return required to
8 be filed under RCW 54.28.040, 82.32.045, 82.14B.061, 82.23B.020,
9 (~~82.27.060,~~) 82.29A.050, or 84.33.086; and

10 (b) The taxpayer has timely filed and remitted payment on all tax
11 returns due for that tax program for a period of (~~twenty-four~~) 24
12 months immediately preceding the period covered by the return for
13 which the waiver is being requested.

14 (3) The department must waive or cancel interest imposed under
15 this chapter if:

16 (a) The failure to timely pay the tax was the direct result of
17 written instructions given the taxpayer by the department; or

18 (b) The extension of a due date for payment of an assessment of
19 deficiency was not at the request of the taxpayer and was for the
20 sole convenience of the department.

21 (4) The department must adopt rules for the waiver or
22 cancellation of penalties and interest imposed by this chapter.

23 **Sec. 14.** RCW 82.60.020 and 2010 1st sp.s. c 16 s 2 are each
24 amended to read as follows:

25 Unless the context clearly requires otherwise, the definitions in
26 this section apply throughout this chapter.

27 (1) "Applicant" means a person applying for a tax deferral under
28 this chapter.

29 (2) "Department" means the department of revenue.

30 (3) "Eligible area" means:

31 (a) Through June 30, 2010, a rural county as defined in RCW
32 82.14.370; and

33 (b) Beginning July 1, 2010, a qualifying county.

34 (4)(a) "Eligible investment project" means an investment project
35 that is located, as of the date the deferral application (~~required~~
36 ~~by RCW 82.60.030~~) is received by the department, in an eligible area
37 as defined in subsection (3) of this section.

38 (b) "Eligible investment project" does not include any portion of
39 an investment project undertaken by a light and power business as

1 defined in RCW 82.16.010(4), other than that portion of a
2 cogeneration project that is used to generate power for consumption
3 within the manufacturing site of which the cogeneration project is an
4 integral part, or investment projects that have already received
5 deferrals under this chapter.

6 (5) (a) "Initiation of construction" ((has the same meaning as in
7 RCW 82.63.010)) means the date that a building permit is issued under
8 the building code adopted under RCW 19.27.031 for:

9 (i) Construction of the qualified building, if the underlying
10 ownership of the building vests exclusively with the person receiving
11 the economic benefit of the deferral;

12 (ii) Construction of the qualified building, if the economic
13 benefits of the deferral are passed to a lessee as provided in RCW
14 82.60.025; or

15 (iii) Tenant improvements for a qualified building, if the
16 economic benefits of the deferral are passed to a lessee as provided
17 in RCW 82.60.025.

18 (b) "Initiation of construction" does not include soil testing,
19 site clearing and grading, site preparation, or any other related
20 activities that are initiated before the issuance of a building
21 permit for the construction of the foundation of the building.

22 (c) If the investment project is a phased project, "initiation of
23 construction" applies separately to each phase.

24 (6) "Investment project" means an investment in qualified
25 buildings or qualified machinery and equipment, including labor and
26 services rendered in the planning, installation, and construction of
27 the project.

28 (7) "Manufacturing" means the same as defined in RCW 82.04.120.
29 "Manufacturing" also includes:

30 (a) Before July 1, 2010: (i) Computer programming, the production
31 of computer software, and other computer-related services, but only
32 when the computer programming, production of computer software, or
33 other computer-related services are performed by a manufacturer as
34 defined in RCW 82.04.110 and contribute to the production of a new,
35 different, or useful substance or article of tangible personal
36 property for sale; (ii) the activities performed by research and
37 development laboratories and commercial testing laboratories; and
38 (iii) the conditioning of vegetable seeds; and

1 (b) Beginning July 1, 2010: (i) The activities performed by
2 research and development laboratories and commercial testing
3 laboratories; and (ii) the conditioning of vegetable seeds.

4 (8) "Person" has the meaning given in RCW 82.04.030.

5 (9) "Qualified buildings" means construction of new structures,
6 and expansion or renovation of existing structures for the purpose of
7 increasing floor space or production capacity used for manufacturing
8 or research and development activities, including plant offices and
9 warehouses or other facilities for the storage of raw material or
10 finished goods if such facilities are an essential or an integral
11 part of a factory, mill, plant, or laboratory used for manufacturing
12 or research and development. If a building is used partly for
13 manufacturing or research and development and partly for other
14 purposes, the applicable tax deferral must be determined by
15 apportionment of the costs of construction under rules adopted by the
16 department.

17 (10) "Qualified employment position" means a permanent full-time
18 employee employed in the eligible investment project during the
19 entire tax year. The term "entire tax year" means a full-time
20 position that is filled for a period of (~~twelve~~) 12 consecutive
21 months. The term "full-time" means at least (~~thirty-five~~) 35 hours
22 a week, (~~four hundred fifty-five~~) 455 hours a quarter, or (~~one~~
23 ~~thousand eight hundred twenty~~) 1,820 hours a year.

24 (11) "Qualified machinery and equipment" means all new industrial
25 and research fixtures, equipment, and support facilities that are an
26 integral and necessary part of a manufacturing or research and
27 development operation. "Qualified machinery and equipment" includes:
28 Computers; software; data processing equipment; laboratory equipment;
29 manufacturing components such as belts, pulleys, shafts, and moving
30 parts; molds, tools, and dies; operating structures; and all
31 equipment used to control or operate the machinery.

32 (12) "Qualifying county" means a county that has an unemployment
33 rate, as determined by the employment security department, which is
34 at least (~~twenty~~) 20 percent above the state average for the three
35 calendar years immediately preceding the year in which the list of
36 qualifying counties is established or updated, as the case may be, as
37 provided in RCW 82.60.120.

38 (13) "Recipient" means a person receiving a tax deferral under
39 this chapter.

1 (14) "Research and development" means the development,
2 refinement, testing, marketing, and commercialization of a product,
3 service, or process before commercial sales have begun, but only when
4 such activities are intended to ultimately result in the production
5 of a new, different, or useful substance or article of tangible
6 personal property for sale. As used in this subsection, "commercial
7 sales" excludes sales of prototypes or sales for market testing if
8 the total gross receipts from such sales of the product, service, or
9 process do not exceed (~~one million dollars~~) \$1,000,000.

10 **Sec. 15.** RCW 82.60.049 and 2010 1st sp.s. c 16 s 7 are each
11 amended to read as follows:

12 (1) For the purposes of this section:

13 (a) "Eligible area" also means a designated community empowerment
14 zone approved under RCW 43.31C.020.

15 (b) "Eligible investment project" also means an investment
16 project in an eligible area as defined in this section.

17 (2) (~~In addition to the provisions of RCW 82.60.040, the~~) Until
18 July 1, 2020, the department shall issue a sales and use tax deferral
19 certificate for state and local sales and use taxes due under
20 chapters 82.08, 82.12, and 82.14 RCW, on each eligible investment
21 project that is located in an eligible area, if the applicant
22 establishes that at the time the project is operationally complete:

23 (a) The applicant will hire at least one qualified employment
24 position for each (~~seven hundred fifty thousand dollars~~) \$750,000
25 of investment for which a deferral is requested; and

26 (b) The positions will be filled by persons who at the time of
27 hire are residents of the community empowerment zone. As used in this
28 subsection, "resident" means the person makes his or her home in the
29 community empowerment zone or the county in which the zone is
30 located. A mailing address alone is insufficient to establish that a
31 person is a resident for the purposes of this section. The persons
32 must be hired after the date the application is filed with the
33 department.

34 (3) All other provisions and eligibility requirements of this
35 chapter apply to applicants eligible under this section.

36 (4) The qualified employment position must be filled by the end
37 of the calendar year following the year in which the project is
38 certified as operationally complete. If a person does not meet the
39 requirements for qualified employment positions by the end of the

1 second calendar year following the year in which the project is
2 certified as operationally complete, all deferred taxes are
3 immediately due.

4 **Sec. 16.** RCW 82.60.060 and 2010 1st sp.s. c 16 s 8 are each
5 amended to read as follows:

6 (1) (~~The~~) In the event the eligible investment project ceases
7 to meet the requirements of this chapter, the recipient must begin
8 paying the deferred taxes in the third year after the date certified
9 by the department as the date on which the investment project has
10 been operationally completed. The first payment (~~will be~~) is due on
11 December 31st of the third calendar year after such certified date,
12 with subsequent annual payments due on December 31st of the following
13 four years with amounts of payment scheduled as follows:

14	Repayment Year	% of Deferred Tax Repaid
15	1	10%
16	2	15%
17	3	20%
18	4	25%
19	5	30%

20 (2) The department may authorize an accelerated repayment
21 schedule upon request of the recipient.

22 (3) Interest may not be charged on any taxes deferred under this
23 chapter for the period of deferral, although all other penalties and
24 interest applicable to delinquent excise taxes may be assessed and
25 imposed for delinquent payments under this chapter. The debt for
26 deferred taxes (~~will~~) may not be extinguished by insolvency or
27 other failure of the recipient. Transfer of ownership does not
28 terminate the deferral. The deferral is transferred, subject to the
29 successor meeting the eligibility requirements of this chapter, for
30 the remaining periods of the deferral.

31 **Sec. 17.** RCW 82.60.070 and 2017 c 135 s 36 are each amended to
32 read as follows:

33 (1)(a) Each recipient of a deferral of taxes granted under this
34 chapter must file a complete annual tax performance report with the
35 department under RCW 82.32.534. If the economic benefits of the
36 deferral are passed to a lessee as provided in RCW 82.60.025, the

1 lessee must file a complete annual tax performance report, and the
2 applicant is not required to file a complete annual tax performance
3 report.

4 (b) The department must use the information reported on the
5 annual tax performance report required by this section to study the
6 tax deferral program authorized under this chapter. The department
7 must report to the legislature by December 1, 2018. The report must
8 measure the effect of the program on job creation, the number of jobs
9 created for residents of eligible areas, company growth, and such
10 other factors as the department selects.

11 (2) Except as provided in RCW 82.60.063, if, on the basis of a
12 tax performance report under RCW 82.32.534 or other information, the
13 department finds that an investment project is not eligible for tax
14 deferral under this chapter, the amount of deferred taxes outstanding
15 for the project, according to the repayment schedule in RCW
16 82.60.060, is immediately due. For purposes of this subsection (2),
17 the repayment schedule in RCW 82.60.060 is (~~to be~~) suspended
18 during the period of time that a taxpayer is receiving relief from
19 repayment of deferred taxes under RCW 82.60.063.

20 (3) A recipient who must repay deferred taxes under subsection
21 (2) of this section because the department has found that an
22 investment project is not eligible for tax deferral under this
23 chapter is no longer required to file annual tax performance reports
24 under RCW 82.32.534 beginning on the date an investment project is
25 used for nonqualifying purposes.

26 (4) Notwithstanding any other provision of this section or RCW
27 82.32.534, deferred taxes on the following need not be repaid:

28 (a) Machinery and equipment, and sales of or charges made for
29 labor and services, which at the time of purchase would have
30 qualified for exemption under RCW 82.08.02565; and

31 (b) Machinery and equipment which at the time of first use would
32 have qualified for exemption under RCW 82.12.02565.

33 **Sec. 18.** RCW 82.70.900 and 2015 3rd sp.s. c 44 s 416 are each
34 amended to read as follows:

35 (~~Except for RCW 82.70.050, this~~) This chapter expires July 1,
36 2024.

37 ***Sec. 19.** *RCW 82.73.030 and 2021 c 112 s 2 are each amended to*
38 *read as follows:*

1 (1) Subject to the limitations in this chapter, a credit is
2 allowed against the tax imposed by chapters 82.04 and 82.16 RCW for
3 approved contributions that are made by a person to a program or the
4 main street trust fund.

5 (2) (a) Except as provided in (b) of this subsection, the credit
6 allowed under this section is limited to an amount equal to:

7 (i) Seventy-five percent of the approved contribution made by a
8 person to a program; or

9 (ii) Fifty percent of the approved contribution made by a person
10 to the main street trust fund.

11 (b) Beginning with contributions made in calendar year 2021, an
12 additional credit is allowed equal to 25 percent of the approved
13 contribution made by a person to the main street trust fund.

14 (3) The department may not approve credit with respect to a
15 program in a city or town with a population of (~~one hundred ninety~~
16 ~~thousand~~) 190,000 persons or more at the time of designation under
17 RCW 43.360.030.

18 (4) The department must keep a running total of all credits
19 approved under this chapter for each calendar year. The department
20 may not approve any credits under this section that would cause the
21 total amount of approved credits statewide to exceed \$5,000,000 in
22 any calendar year.

23 (5) (a) (i) The total credits allowed under this chapter for
24 contributions made to each program may not exceed \$160,000 in a
25 calendar year.

26 (ii) Between 8:00 a.m., Pacific standard time, on the second
27 Monday in January and 8:00 a.m., Pacific daylight time, on April 1st
28 of the same calendar year, the department must evenly allocate the
29 amount of statewide credits allowed under subsection (4) of this
30 section based on the total number of programs and the main street
31 trust fund as of January 1st in the same calendar year. The
32 department may not approve contributions for a program or the main
33 street trust fund that would cause the total amount of approved
34 credits for a program or the main street trust fund to exceed the
35 allocated amount.

36 (b) The total credits allowed under this chapter for a person may
37 not exceed (~~two hundred fifty thousand dollars~~) \$250,000 in a
38 calendar year.

39 (6) Except as provided in subsection (8) of this section, the
40 credit may be claimed against any tax due under chapters 82.04 and

1 **82.16 RCW only in the calendar year immediately following the**
2 **calendar year in which the credit was approved by the department and**
3 **the contribution was made to the program or the main street trust**
4 **fund. Credits may not be carried over to subsequent years. No refunds**
5 **may be granted for credits under this chapter.**

6 (7) **The total amount of the credit claimed in any calendar year**
7 **by a person may not exceed the lesser amount of:**

8 (a) **The approved credit; or**

9 (b) **Seventy-five percent of the amount of the contribution that**
10 **is made by the person to a program and 75 percent of the amount of**
11 **the contribution that is made by the person to the main street trust**
12 **fund, in the prior calendar year.**

13 (8) **Any credits provided in accordance with this chapter for**
14 **approved contributions made in calendar year 2020 may be carried over**
15 **for an additional two years and must be used by December 31, 2023.**

16 (9) **No credit is allowed or may be claimed under this section on**
17 **or after January 1, 2032.**

***Sec. 19 was vetoed. See message at end of chapter.**

18 **Sec. 20.** RCW 82.90.080 and 2022 c 161 s 8 are each amended to
19 read as follows:

20 A lessor or owner of an eligible investment project is not
21 eligible for a deferral under this chapter unless:

22 (1) The underlying ownership of the qualified solar canopy vests
23 exclusively in the same person; or

24 (2) (a) The lessor by written contract agrees to pass the economic
25 benefit of the deferral to the lessee;

26 (b) The lessee that receives the economic benefit of the deferral
27 agrees in writing with the department to complete the annual tax
28 performance report required under RCW (~~(82.63.020(2))~~) 82.32.534; and

29 (c) The economic benefit of the deferral passed to the lessee is
30 no less than the amount of tax deferred by the lessor and is
31 evidenced by written documentation of any type of payment, credit, or
32 other financial arrangement between the lessor or owner of the
33 eligible investment project and the lessee.

34 **Sec. 21.** RCW 84.52.120 and 1995 c 99 s 1 are each amended to
35 read as follows:

36 A metropolitan park district with a population of (~~one hundred~~
37 ~~fifty thousand~~) 150,000 or more may submit a ballot proposition to

1 voters of the district authorizing the protection of the district's
2 tax levy from prorationing under RCW 84.52.010(~~(+2)~~) (3)(b) by
3 imposing all or any portion of the district's (~~twenty-five~~) 25 cent
4 per (~~thousand dollars~~) \$1,000 of assessed valuation tax levy
5 outside of the (~~five dollar and ninety cent~~) \$5.90 per (~~thousand~~
6 ~~dollar~~) \$1,000 of assessed valuation limitation established under
7 RCW 84.52.043(2), if those taxes otherwise would be prorated under
8 RCW 84.52.010(~~(+2)(e)~~) (3)(b)(iv), for taxes imposed in any year on
9 or before the first day of January six years after the ballot
10 proposition is approved. A simple majority vote of voters voting on
11 the proposition is required for approval.

12 **Sec. 22.** RCW 84.52.816 and 2015 c 170 s 3 are each amended to
13 read as follows:

14 A flood control zone district in a county with a population of
15 (~~seven hundred seventy-five thousand~~) 775,000 or more, or a county
16 within the Chehalis river basin, that is coextensive with a county
17 may protect the levy under RCW 86.15.160 from prorationing under RCW
18 84.52.010(3)(b)(~~(+ii)~~) (iii) by imposing up to a total of (~~twenty-~~
19 ~~five~~) 25 cents per (~~thousand dollars~~) \$1,000 of assessed value of
20 the tax levy authorized under RCW 86.15.160 outside of the (~~five~~
21 ~~dollars and ninety cents~~) \$5.90 per (~~thousand dollars~~) \$1,000 of
22 assessed value limitation under RCW 84.52.043(2), if those taxes
23 otherwise would be prorated under RCW 84.52.010(3)(b)(~~(+ii)~~) (iii).

24 **Sec. 23.** RCW 88.02.620 and 2021 c 150 s 1 are each amended to
25 read as follows:

26 (1) A vessel owner who is a nonresident person must obtain a
27 nonresident vessel permit on or before the (~~sixty-first~~) 61st day
28 of use in Washington state if the vessel:

29 (a) Is currently registered or numbered under the laws of the
30 state or (~~county [country]~~) country of principal operation, has
31 been issued a valid number under federal law, or has a valid United
32 States customs service cruising license issued under 19 C.F.R. Sec.
33 4.94; and

34 (b) Has been brought into Washington state for not more than six
35 months in any continuous (~~twelve~~) 12-month period, and is used:

36 (i) For personal use; or

37 (ii) For the purposes of chartering a vessel with a captain or
38 crew, as long as individual charters are for at least three or more

1 consecutive days in duration. The permit also applies for the
2 purposes of necessary transit to or from the start or end point of
3 such a charter, but that transit time is not counted toward the
4 duration of the charter.

5 (2) In addition to the requirements in subsection (1) of this
6 section, a nonresident vessel owner that is not a natural person, or
7 a nonresident vessel owner who is a natural person who intends to
8 charter the vessel with a captain or crew as provided in subsection
9 (1)(b)(ii) of this section, may only obtain a nonresident vessel
10 permit if:

11 (a) The vessel is at least (~~(thirty)~~) 30 feet in length, but no
12 more than (~~(two hundred)~~) 200 feet in length;

13 (b) No Washington state resident owns the vessel or is a
14 principal, as defined in RCW 82.32.865, of the nonresident person
15 which owns the vessel; and

16 (c) The department of revenue has provided the nonresident vessel
17 owner written approval authorizing the permit as provided in RCW
18 82.32.865.

19 (3) A nonresident vessel permit:

20 (a) May be obtained from the department, county auditor or other
21 agent, or subagent appointed by the director;

22 (b) Must show the date the vessel first came into Washington
23 state; and

24 (c) Is valid for two months.

25 (4) The department, county auditor or other agent, or subagent
26 appointed by the director must collect the fee required in RCW
27 88.02.640(1)(i) when issuing nonresident vessel permits.

28 (5) A nonresident vessel permit is not required under this
29 section if the vessel is used in conducting temporary business
30 activity within Washington state.

31 (6) For any permits issued under this section to a nonresident
32 vessel owner that is not a natural person, or for any permits issued
33 to a natural person who intends to charter the vessel with a captain
34 or crew as provided in subsection (1)(b)(ii) of this section, the
35 department must maintain a record of the following information and
36 provide it to the department of revenue quarterly or as otherwise
37 mutually agreed to by the department and department of revenue:

38 (a) The name of the record owner of the vessel;

39 (b) The vessel's hull identification number;

40 (c) The amount of the fee paid under RCW 88.02.640(5);

- 1 (d) The date the vessel first entered the waters of this state;
2 (e) The expiration date for the permit; and
3 (f) Any other information mutually agreed to by the department
4 and department of revenue.
5 (7) The department must adopt rules to implement this section,
6 including rules on issuing and displaying the nonresident vessel
7 permit.

8 ***Sec. 24. RCW 88.26.020 and 2013 c 291 s 41 are each amended to**
9 **read as follows:**

10 **(1) Any private moorage facility operator may take reasonable**
11 **measures, including the use of chains, ropes, and locks, or removal**
12 **from the water, to secure vessels within the private moorage facility**
13 **so that the vessels are in the possession and control of the operator**
14 **and cannot be removed from the facility. These procedures may be used**
15 **if an owner mooring or storing a vessel at the facility fails, after**
16 **being notified that charges are owing and of the owner's right to**
17 **commence legal proceedings to contest that such charges are owing, to**
18 **pay charges owed or to commence legal proceedings. Notification shall**
19 **be by two separate letters, one sent by first-class mail and one sent**
20 **by registered mail to the owner and any lienholder of record at the**
21 **last known address. In the case of a transient vessel, or where no**
22 **address was furnished by the owner, the operator need not give notice**
23 **prior to securing the vessel. At the time of securing the vessel, an**
24 **operator shall attach to the vessel a readily visible notice. The**
25 **notice shall be of a reasonable size and shall contain the following**
26 **information:**

- 27 **(a) The date and time the notice was attached;**
28 **(b) A statement that if the account is not paid in full within**
29 **((~~ninety~~)) 90 days from the time the notice is attached the vessel**
30 **may be sold at public auction to satisfy the charges; and**
31 **(c) The address and telephone number where additional information**
32 **may be obtained concerning release of the vessel.**

33 **After a vessel is secured, the operator shall make a reasonable**
34 **effort to notify the owner and any lienholder of record by registered**
35 **mail in order to give the owner the information contained in the**
36 **notice.**

37 **(2) A private moorage facility operator, at his or her**
38 **discretion, may move moored vessels ashore for storage within**
39 **properties under the operator's control or for storage with a private**

1 person under their control as bailees of the private moorage
2 facility, if the vessel is, in the opinion of the operator, a
3 nuisance, in danger of sinking or creating other damage, or is owing
4 charges. The costs of any such procedure shall be paid by the
5 vessel's owner.

6 (3) If a vessel is secured under subsection (1) of this section
7 or moved ashore under subsection (2) of this section, the owner who
8 is obligated to the private operator for charges may regain
9 possession of the vessel by:

10 (a) Making arrangements satisfactory with the operator for the
11 immediate removal of the vessel from the facility or for authorized
12 moorage; and

13 (b) Making payment to the operator of all charges, or by posting
14 with the operator a sufficient cash bond or other acceptable
15 security, to be held in trust by the operator pending written
16 agreement of the parties with respect to payment by the vessel owner
17 of the amount owing, or pending resolution of the matter of the
18 charges in a civil action in a court of competent jurisdiction. After
19 entry of judgment, including any appeals, in a court of competent
20 jurisdiction, or after the parties reach agreement with respect to
21 payment, the trust shall terminate and the operator shall receive so
22 much of the bond or other security as agreed, or as is necessary, to
23 satisfy any judgment, costs, and interest as may be awarded to the
24 operator. The balance shall be refunded immediately to the owner at
25 the last known address.

26 (4) If a vessel has been secured by the operator under subsection
27 (1) of this section and is not released to the owner under the
28 bonding provisions of this section within ((ninety)) 90 days after
29 notifying or attempting to notify the owner under subsection (1) of
30 this section, the vessel is conclusively presumed to have been
31 abandoned by the owner.

32 (5) If a vessel moored or stored at a private moorage facility is
33 abandoned, the operator may authorize the public sale of the vessel
34 by authorized personnel, consistent with this section, to the highest
35 and best bidder for cash as follows:

36 (a) Before the vessel is sold, the vessel owner and any
37 lienholder of record shall be given at least ((twenty)) 20 days'
38 notice of the sale in the manner set forth in subsection (1) of this
39 section if the name and address of the owner is known. The notice
40 shall contain the time and place of the sale, a reasonable

1 description of the vessel to be sold, and the amount of charges owed
2 with respect to the vessel. The notice of sale shall be published at
3 least once, more than (~~ten~~) 10 but not more than (~~twenty~~) 20 days
4 before the sale, in a newspaper of general circulation in the county
5 in which the facility is located. This notice shall include the name
6 of the vessel, if any, the last known owner and address, and a
7 reasonable description of the vessel to be sold. The operator may bid
8 all or part of its charges at the sale and may become a purchaser at
9 the sale.

10 (b) Before the vessel is sold, any person seeking to redeem an
11 impounded vessel under this section may commence a lawsuit in the
12 superior court for the county in which the vessel was impounded to
13 contest the validity of the impoundment or the amount of charges
14 owing. This lawsuit must be commenced within (~~sixty~~) 60 days of the
15 date the notification was provided under subsection (1) of this
16 section, or the right to a hearing is deemed waived and the owner is
17 liable for any charges owing the operator. In the event of
18 litigation, the prevailing party is entitled to reasonable attorneys'
19 fees and costs.

20 (c) The proceeds of a sale under this section shall be applied
21 first to the payment of any liens superior to the claim for charges,
22 then to payment of the charges, then to satisfy any other liens on
23 the vessel in the order of their priority. The balance, if any, shall
24 be paid to the owner. If the owner cannot in the exercise of due
25 diligence be located by the operator within one year of the date of
26 the sale, the excess funds from the sale shall revert to the
27 department of revenue under chapter (~~63-29~~) 63.30 RCW. If the sale
28 is for a sum less than the applicable charges, the operator is
29 entitled to assert a claim for deficiency, however, the deficiency
30 judgment shall not exceed the moorage fees owed for the previous six-
31 month period.

32 (d) In the event no one purchases the vessel at a sale, or a
33 vessel is not removed from the premises or other arrangements are not
34 made within (~~ten~~) 10 days of sale, title to the vessel will revert
35 to the operator.

36 (e) Either a minimum bid may be established or a letter of credit
37 may be required from the buyer, or both, to discourage the future
38 abandonment of the vessel.

39 (6) The rights granted to a private moorage facility operator
40 under this section are in addition to any other legal rights an

1 **operator may have to hold and sell a vessel and in no manner does**
2 **this section alter those rights, or affect the priority of other**
3 **liens on a vessel.**

***Sec. 24 was vetoed. See message at end of chapter.**

4 NEW SECTION. **Sec. 25.** The following acts or parts of acts are
5 each repealed:

6 (1) RCW 82.12.02088 (Exemptions—Digital products—Business buyers
7 —Concurrently available for use within and outside state—
8 Apportionment) and 2017 c 323 s 522 & 2009 c 535 s 702;

9 (2) RCW 82.27.060 (Payment of tax—Remittance—Returns) and 2006 c
10 256 s 3, 2003 1st sp.s. c 13 s 10, 1990 c 214 s 1, & 1980 c 98 s 6;
11 and

12 (3) RCW 82.70.050 (Credit taken, director must advise) and 2022 c
13 182 s 312, 2015 3rd sp.s. c 44 s 415, 2015 1st sp.s. c 10 s 710, 2014
14 c 222 s 706, & 2003 c 364 s 5.

15 NEW SECTION. **Sec. 26.** Sections 1 through 4, 6 through 8, and 24
16 of this act apply both prospectively and retroactively to January 1,
17 2023.

18 NEW SECTION. **Sec. 27.** Section 23 of this act expires January 1,
19 2029.

Passed by the Senate April 18, 2023.

Passed by the House March 24, 2023.

Approved by the Governor May 9, 2023, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State May 10, 2023.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 2, 3, 4,
6, 7, 8, 19, and 24, Substitute Senate Bill No. 5565 entitled:

"AN ACT Relating to modifying tax and revenue laws by making
technical corrections, clarifying ambiguities, easing compliance
burdens for taxpayers, and providing administrative efficiencies."

Substitute Senate Bill 5565 makes technical corrections to various
tax-related statutes.

This bill contains a number of sections that are duplicated in other
bills passed by the Legislature in the 2023 legislative session,
creating unnecessary double amendments with Engrossed Senate Bill
5336, Second Substitute House Bill 1477, and House Bill 1742.

For these reasons I have vetoed Sections 2, 3, 4, 6, 7, 8, 19, and 24
of Substitute Senate Bill No. 5565.

With the exception of Sections 2, 3, 4, 6, 7, 8, 19, and 24,
Substitute Senate Bill No. 5565 is approved."

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