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**HOUSE BILL 1060**

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**State of Washington 69th Legislature 2025 Regular Session**

**By** Representatives Santos and Orcutt

AN ACT Relating to newspapers and eligible digital content; amending RCW 82.04.759; reenacting and amending RCW 82.04.759; providing an effective date; and providing expiration dates.

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

**Sec.**  RCW 82.04.759 and 2024 c 252 s 2 are each amended to read as follows:

(1) This chapter does not apply to amounts received by any person for engaging in any of the following activities:

(a) Printing a newspaper, publishing a newspaper, or both; or

(b) Publishing eligible digital content by a person who reported under the printing and publishing tax classification for the reporting period that covers January 1, 2008, for engaging in printing and/or publishing a newspaper, as defined on January 1, 2008.

(2) The exemption under this section must be reduced by an amount equal to the value of any expenditure made by the person during the tax reporting period. For purposes of this subsection, "expenditure" has the meaning provided in RCW 42.17A.005.

(3) If a person who is primarily engaged in printing a newspaper, publishing a newspaper, or publishing eligible digital content, or any combination of these activities, charges a single, nonvariable amount to advertise in, subscribe to, or access content in both a publication identified in subsection (1) of this section and another type of publication, the entire amount is exempt under this section.

(4) For purposes of this section, "eligible digital content" means a publication that:

(a) Is published at regularly stated intervals of at least once per month;

(b) Features written content, the largest category of which, as determined by word count, contains material that identifies the author or the original source of the material; and

(c) Is made available to readers exclusively in an electronic format.

(5) The exemption under this section applies only to persons primarily engaged in printing a newspaper, publishing a newspaper, or publishing eligible digital content, or any combination of these activities, unless these business activities were previously engaged in by an affiliated person and were not the affiliated person's primary business activity.

(6) A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(7) Any person claiming the exemption under this section who fails to meet the requirement under subsection (6) of this section is subject to the provisions under RCW 82.32.534(4) equal to the gross income of the business activities under this section multiplied by the rate of 0.484 percent.

(8) If at any time the department finds that a person is not eligible for the exemption under this section, the amount of taxes for which an exemption has been granted is immediately due equal to the gross income of the business activities under this section multiplied by the rate of 0.484 percent. The department must assess interest, but not penalties, on the taxes for which the person is not eligible for the exemption. The interest must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, is retroactive to the date the tax exemption was taken, and accrues until the taxes for which the exemption has been used are paid.

(9) For purposes of this section, the following definitions apply:

(a) "Affiliated" has the same meaning as provided in RCW 82.04.299.

(b) "Primarily" means, with respect to a business activity or combination of business activities of a taxpayer, more than 50 percent of the taxpayer's gross worldwide income from all business activities, whether subject to tax under this chapter or not, comes from such activity or activities.

**Sec.**  RCW 82.04.759 and 2024 c 252 s 2 and 2024 c 164 s 534 are each reenacted and amended to read as follows:

(1) This chapter does not apply to amounts received by any person for engaging in any of the following activities:

(a) Printing a newspaper, publishing a newspaper, or both; or

(b) Publishing eligible digital content by a person who reported under the printing and publishing tax classification for the reporting period that covers January 1, 2008, for engaging in printing and/or publishing a newspaper, as defined on January 1, 2008.

(2) The exemption under this section must be reduced by an amount equal to the value of any expenditure made by the person during the tax reporting period. For purposes of this subsection, "expenditure" has the meaning provided in RCW 29B.10.230.

(3) If a person who is primarily engaged in printing a newspaper, publishing a newspaper, or publishing eligible digital content, or any combination of these activities, charges a single, nonvariable amount to advertise in, subscribe to, or access content in both a publication identified in subsection (1) of this section and another type of publication, the entire amount is exempt under this section.

(4) For purposes of this section, "eligible digital content" means a publication that:

(a) Is published at regularly stated intervals of at least once per month;

(b) Features written content, the largest category of which, as determined by word count, contains material that identifies the author or the original source of the material; and

(c) Is made available to readers exclusively in an electronic format.

(5) The exemption under this section applies only to persons primarily engaged in printing a newspaper, publishing a newspaper, or publishing eligible digital content, or any combination of these activities, unless these business activities were previously engaged in by an affiliated person and were not the affiliated person's primary business activity.

(6) A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(7) Any person claiming the exemption under this section who fails to meet the requirement under subsection (6) of this section is subject to the provisions under RCW 82.32.534(4) equal to the gross income of the business activities under this section multiplied by the rate of 0.484 percent.

(8) If at any time the department finds that a person is not eligible for the exemption under this section, the amount of taxes for which an exemption has been granted is immediately due equal to the gross income of the business activities under this section multiplied by the rate of 0.484 percent. The department must assess interest, but not penalties, on the taxes for which the person is not eligible for the exemption. The interest must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, is retroactive to the date the tax exemption was taken, and accrues until the taxes for which the exemption has been used are paid.

(9) For purposes of this section, the following definitions apply:

(a) "Affiliated" has the same meaning as provided in RCW 82.04.299.

(b) "Primarily" means, with respect to a business activity or combination of business activities of a taxpayer, more than 50 percent of the taxpayer's gross worldwide income from all business activities, whether subject to tax under this chapter or not, comes from such activity or activities.

NEW SECTION. **Sec.**  Section 1 of this act expires January 1, 2026.

NEW SECTION. **Sec.**  Section 2 of this act takes effect January 1, 2026.

NEW SECTION. **Sec.**  Section 2 of this act expires January 1, 2034.

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