
**Agriculture & Natural Resources
Committee**

HB 1389

Brief Description: Extending the expiration date for reporting requirements on timber purchases.

Sponsors: Representatives Bernbaum, Orcutt, Springer, Dent, Schmick, Parshley, Richards, Simmons, Reed and Tharinger.

Brief Summary of Bill

- Extends the expiration date for timber purchase reporting requirements from September 30, 2025, to September 30, 2029.

Hearing Date: 1/29/25

Staff: Lily Smith (786-7175).

Background:

Forest Tax.

Instead of property taxes, timber harvesters pay a 5 percent excise tax, known as the forest tax or timber tax, on any timber harvested. The excise tax amount due from each timber harvester is based on the value of the timber harvested.

Timber Purchase Reporting Requirements.

Every purchaser of more than 200,000 board feet of privately owned timber in a voluntary sale must report the purchase to the Department of Revenue (DOR) or be subject to a \$250 penalty. The report must include specific information related to the value of the purchase, including the

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total sale price, total acreage, and the estimated net volume of timber purchased by tree species and log grade.

Information gathered in the timber purchase reports indicate the amount that each tree species commercially harvested in Washington would sell for at a voluntary sale. This information is used by the DOR to establish stumpage value tables, which provide estimates for the value of timber in order to calculate the amount of excise tax due from large timber harvesters.

The timber purchase reporting requirement expires on September 30, 2025.

Summary of Bill:

The expiration date for the timber purchase reporting requirement is changed from September 30, 2025, to September 30, 2029.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.