

RCW 82.04.43396 Deductions—Scan-down allowances. (1) In computing tax under RCW 82.04.290(2), a seller may deduct from the measure of tax the amount of scan-down allowances.

(2) For purposes of this section, a provision that the seller must sell at a certain retail price or a specific price reduction does not constitute either:

(a) A service provided by the seller to the manufacturer or wholesaler; or

(b) A business activity directly or indirectly benefiting the manufacturer or wholesaler.

(3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Product" means:

(i) Food and food ingredients other than prepared food, as those terms are defined in RCW 82.08.0293, whether or not exempt from sales tax under RCW 82.08.0293; and

(ii) Pet food and specialty pet food as defined in RCW 15.53.901.

(b) "Scan-down allowance" means a payment or credit offered to a seller by a manufacturer or wholesaler of products, where:

(i) The amount of the payment or credit is based on the quantity of the product to be sold at retail by the seller within a specified period of time;

(ii) The seller knew the terms of the offer before making the sales that generated the payment or credit from the manufacturer or wholesaler; and

(iii) The seller is not required to provide any services to the manufacturer or wholesaler or engage in any business activities directly or indirectly benefiting the manufacturer or wholesaler, in order to receive the payment or credit from the manufacturer or wholesaler. [2019 c 217 s 1.]

Automatic expiration date and tax preference performance statement exemption—2019 c 217: "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2019 c 217 s 2.]