

Close B&O tax loophole that allows out-of-state printers to sell into WA without paying B&O tax

Description This proposal would subject sales of printed materials by out-of-state printers to B&O tax.

Current Law Under current law, persons who print materials pay tax under the printing and publishing classification. Courts have ruled that Washington must provide a credit to out-of-state businesses selling into Washington for gross receipts taxes paid in another state. Washington law does not provide such a credit for printers selling into Washington. As a result, Washington has been unable to collect tax from out-of-state printers.

Revenue Impact General Fund Impacts (\$ millions):

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$.1	\$.1

Notes:

- Estimate assumes a July 1, 2012, effective date, representing 11 months of collections for FY 2013.
 - Estimate reflects the November 2011 Economic & Revenue Forecast Council revenue forecast.
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Expenditure Impact

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$31,000	\$15,100	\$46,100