



STATE OF WASHINGTON
DEPARTMENT OF REVENUE

July 3, 2007

NOTICE: Truckers remain liable for PUT and B&O taxes

Dear Taxpayer:

There is some misinformation in the trucking community regarding the possibility of exemptions from the public utility tax (PUT) and/or business and occupation (B&O) taxes for truckers. No such exemptions have been created.

Truckers remain liable for PUT and/or B&O taxes now and in the foreseeable future.

However, there is a *new limited exemption on certain hauls of agricultural products*. Please see the enclosed Special Notice for further information on the new exemption.

If you have any questions, please contact the Telephone Information Center at 1-800-647-7706.



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

JULY 3, 2007

Public Utility Tax Deduction for Certain Transportation Activities with Respect to Agricultural Commodities

House Bill 1443, 2007 Regular Session, creates a deduction from Public Utility Tax (PUT) for transportation to interim storage of agricultural commodities that are being exported out of state. The exemption becomes effective July 22, 2007.

This legislation amends RCW 82.16.050 to exempt from PUT gross income from transportation of agricultural commodities from points of origin to interim storage facilities, if they are bound for interstate or foreign destinations. Any transshipment of the agricultural commodities from an interim storage facility in this state to a storage facility at a port on tidewater or its navigable tributaries must be operated by the same agricultural commodity dealer.

The person claiming this deduction must obtain a certificate from the agricultural commodity dealer operating the interim storage facility and retain it as supporting documentation in the event of an audit. The certificate must certify that:

- More than 96% of all agricultural commodities received at the dealer's interim storage facility during the preceding calendar year were shipped by vessel in original form to interstate or foreign destinations.
- Any of the agricultural commodities transshipped to ports on tidewater or its navigable tributaries will be received at storage facilities operated by the same agricultural commodity dealer and will be shipped from such facilities by vessel to interstate or foreign destinations.

Agricultural commodities do not include manufactured substances or articles.

Persons taking this deduction should use the "Other" deduction line on the PUT addendum and reference RCW 82.16.050 (10)) as the explanation.

Page 2 of this notice provides a certificate that may be used to comply with the requirements of this legislation.

P.O. BOX 47478 | OLYMPIA, WASHINGTON 98504-7478 | 1-800-647-7706 | [HTTP://DOR.WA.GOV](http://DOR.WA.GOV)

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.

Certificate of Agricultural Commodity Shipped to Interstate & Foreign Destinations

| Agriculture Commodity Dealer | | | Agricultural Commodity Delivered By | | |
|---|--------|-----------|---|--------|-----------|
| Name: | | | Name: | | |
| Address: | | | Address: | | |
| City: | State: | Zip Code: | City: | State: | Zip Code: |
| Tax Registration Number: | | | Tax Registration Number: | | |
| Location of Interim Storage Facilities: | | | Type of Agricultural Commodity being delivered: | | |
| Name of Final Destination: | | | | | |

I certify that more than ninety-six percent of all of the type of agricultural commodity delivered by the person identified above and all other persons that have delivered the same agricultural commodity to the interim storage facility identified above during the preceding calendar year was shipped by vessel in original form to interstate or foreign destinations;

and

Any of the agricultural commodity that is transshipped to ports on tidewater or its navigable tributaries will be received at storage facilities operated by the agricultural commodity dealer identified above and will be shipped from such facilities, without intervening transportation, by vessel, in their original form, to interstate or foreign destinations.

Authorized Signer for Agricultural Commodity Dealer (please print): _____

Title: _____ Date: _____

Authorized Signature: _____