



# RULE-MAKING ORDER

**CR-103P (May 2009)**  
**(Implements RCW 34.05.360)**

**Agency:** Department of Revenue

**Permanent Rule Only**

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:** Effective January 1, 2010, reseller permits replaced resale certificates as the means to substantiate wholesale purchases. Legislation from Chapter 112, Laws of 2010, and Chapter 563, Laws of 2009, authorize the Department of Revenue (Department) to accept applications for reseller permits, issue reseller permits, and adopt rules for the effective implementation of the legislation. The Department has adopted these rules to explain the application process and eligibility requirements for businesses to receive Department-issued reseller permits as well as the appeals process for those applicants for reseller permits that are denied.

The adopted rules:

- WAC 458-20-10201 – Application process and eligibility requirements for reseller permits; and
- WAC 458-20-10202 – Brief adjudicative proceedings for matters related to reseller permits.

**Citation of existing rules affected by this order:**

Repealed:

Amended:

Suspended:

**Statutory authority for adoption:** RCW 82.32.300 and 82.01.060(2)

**Other authority :** RCW 82.32.780 and 82.32.783

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as **WSR 10-01-203 on December 23, 2009.**

**Describe any changes other than editing from proposed to adopted version:**

- **Subsection 301** – Language was changed to explain that the Department may issue reseller permits to contractors without the contractor being required to submit an application for a permit to the Department.
- **Subsection 302** – Language was changed to recognize that “contractor” is defined by reference to contractor registration and licensing statutes. The definition of “wholesale construction activity” was also added.
- **Subsection 305** - Language was added to explain that for applications filed on or after July 1, 2010, 25% of a contractor’s material and labor purchases for the preceding 24 months must have been for retail and wholesale construction activities.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting: **An analysis was not prepared.**

**Date adopted:** July 1, 2010

**NAME**

Alan R. Lynn

**SIGNATURE**

**TITLE**

Rules Coordinator

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: July 01, 2010**

**TIME: 1:58 PM**

**WSR 10-14-080**

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	_____	Amended	_____	Repealed	_____
<b>Federal rules or standards:</b>	New	_____	Amended	_____	Repealed	_____
<b>Recently enacted state statutes:</b>	New	_____	Amended	_____	Repealed	_____

**The number of sections adopted at the request of a nongovernmental entity:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted in the agency's own initiative:**

New	<u>2</u>	Amended	_____	Repealed	_____
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	<u>2</u>	Amended	_____	Repealed	_____
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Pilot rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Other alternative rule making:</b>	New	<u>2</u>	Amended	_____	Repealed	_____