



# 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. Chapter 563, Laws of 2009. The Department has amended a number of rules to recognize the change by adding language to state that resale certificates are no longer valid after December 31, 2009 and that reseller permits should be used.

In addition the Department has removed tax-reporting information applying to tax periods outside the normal limitation periods for assessments and refunds from the following:

- WAC 458-20-119 – Subsection (1) – elimination of reference to food and beverage service workers’ permits.
- WAC 458-20-124 – Subsection (6)(a) – elimination of reference to food and beverage service workers’ permits.
- WAC 458-20-146 – “Reporting procedures” subsection –elimination of subsection as it provided outdated information and is unnecessary.

Minor editing and correction of citations, not intended to change other provisions of the sections, have been made.

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

Amended: See attachment.

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

**Other authority:** Chapters 82.04, 82.08, 82.12 and 82.32 RCW, as they apply to wholesale sales and reseller permits.

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

Adopted under notice filed as **WSR 10-01-193 on December 22, 2009.**

Describe any changes other than editing from proposed to adopted version: **None.**

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:**

February 24, 2010

**NAME (TYPE OR PRINT)**

Alan R. Lynn

**SIGNATURE**

**TITLE**

Rules Coordinator

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: February 25, 2010**

**TIME: 1:36 PM**

**WSR 10-06-069**

**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	_____	Amended	<u>13</u>	Repealed	_____
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	_____	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	_____	Amended	_____	Repealed	_____



STATE OF WASHINGTON  
DEPARTMENT OF REVENUE

**Attachment to CR-103P Permanent Rule Only  
for the following:**

Rule listing:

WAC 458-20-110 *Delivery charges* explains the manner in which delivery charges are subject to the business and occupation (B&O), retail sales, and use taxes.

WAC 458-20-115 *Sales of packing materials and containers* explains the B&O, retail sales, and use taxes which apply to persons who sell packing materials and to those who use packing materials.

WAC 458-20-116 *Sales and/or use of labels, name plates, tags, premiums, and advertising material* explains Washington's B&O and retail sales tax applications to the sale of labels, name plates, tags, and advertising material.

WAC 458-20-119 *Sales of meals* explains Washington's B&O and retail sales tax application to the sales of meals, meals provided to employees, and meals provided without a specific charge.

WAC 458-20-124 *Restaurants, cocktail bars, taverns and similar businesses* explains Washington's B&O and retail sales tax applications to sales by restaurants and similar businesses.

WAC 458-20-135 *Extracting natural products* explains the application of the B&O, retail sales, and use taxes to persons extracting natural products. It also provides guidance for determining when an extracting activity ends and the manufacturing activity begins.

WAC 458-20-136 *Manufacturing, processing for hire, fabricating* explains the application of the B&O, retail sales, and use taxes to manufacturers.

WAC 458-20-139 *Trade shops – Printing plate makers, typesetters, and trade binderies* explains the B&O tax and retail sales tax applications to altering or improving tangible personal property owned by printing plate makers, typesetters or trade binderies intended for sale or altering or improving tangible personal property owned by customers.

WAC 458-20-146 *National and state banks, mutual savings banks, savings and loan associations and other financial institutions* explains the applicability of B&O and retail sales tax to gross income earned by such institutions.

WAC 458-20-150 *Optometrists, ophthalmologists, and opticians* explains the application of Washington's B&O, retail sales, and use taxes to the business activities of optometrists, ophthalmologists, and opticians.

WAC 458-20-151 *Dentists and other health care providers, dental laboratories, and dental technicians* explains the application of B&O, retail sales, and use taxes to the business activities of the same.

WAC 458-20-163 *Insurance companies, including surety companies, fraternal benefit societies, fraternal fire insurance associations, beneficiary corporations or societies, and the Washington state health insurance pool* explains the applicability of B&O tax to income received by the same.

WAC 458-20-168 *Hospitals, nursing homes, boarding homes, adult family homes and similar health care facilities* explains the application of B&O, retail sales, and use taxes to persons operating hospitals as defined in RCW 70.41.020, nursing homes as defined in RCW 18.51.010, boarding homes as defined in RCW 18.20.020, adult family homes as defined in RCW 70.128.010, and similar health care facilities.