



EXPEDITED RULE MAKING

CR-105 (June 2004)
(Implements RCW 34.05.353)
EXPEDITED RULE MAKING ONLY

Agency: Department of Revenue

Title of rule and other identifying information: Please see attachment for listing of rules.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO

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AND RECEIVED BY: February 22, 2010

Purpose of the proposal and its anticipated effects, including any changes in existing rules: Please see attachment for proposed changes to existing rules.

Copies of draft rules are available for viewing and printing on our website at:
<http://dor.wa.gov/content/FindALawOrRule/RuleMaking/agenda.aspx>

Reasons supporting proposal: To recognize provisions of SB 6173 (chapter 563, Laws of 2009).

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

Statute being implemented: Chapters 82.04, 82.08, 82.12 and 82.32 RCW, as they apply to wholesale sales and reseller permits.

Is rule necessary because of a:

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

Date December 22, 2009

Name
Alan R. Lynn

Signature

Title Rules Coordinator

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: December 22, 2009

TIME: 4:23 PM

WSR 10-01-193

Name of proponent: Department of Revenue

- Private
- Public
- Governmental

Name of agency personnel responsible for:

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Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: None



STATE OF WASHINGTON

DEPARTMENT OF REVENUE

Attachment to CR-105 Expedited Rule Making
for the following:

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 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.

“Continued”

Attachment to CR-105 Expedited Rule Making

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

Effective January 1, 2010, reseller permits will replace resale certificates as the means to substantiate wholesale purchases. Chapter 563, Laws of 2009. The Department is proposing to amend these rules to recognize this change.

The amendments to these rules are being made for the sole purpose of:

- Adding language to state that resale certificates are no longer valid after December 31, 2009, and that reseller permits should be used instead.
- Minor editing and correction of citations not intended to change other provisions of the sections.
- Eliminating tax-reporting information that applies to tax periods now outside the normal limitation periods for assessments and refunds.

The Department proposes to remove 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) – eliminating information referencing food and beverage service workers’ permits.
- WAC 458-20-124 – Subsection (6)(a) – eliminating information referencing food and beverage service workers’ permits.
- WAC 458-20-146 – “Reporting procedures” subsection – eliminating this subsection as provides outdated information (e.g., registration fee amount and tax return due date) and is unnecessary.