



# 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:**

WAC 458-20-14601 (Rule 14601) *Financial institutions – Income apportionment* provides tax reporting instructions for financial institutions doing business both inside and outside the state of Washington.

WAC 458-20-194 (Rule 194) *Doing business inside and outside the state* explains the apportionment requirements of persons entitled to apportion income under RCW 82.04.460(1). It also describes Washington nexus standards for business activities subject to apportionment under RCW 82.04.460(1). Rule 194 applies to persons subject to the service and other activities, international investment income, licensed boarding home, and low-level radioactive waste disposal business and occupation (B&O) tax classifications, and who are not required to apportion their income under another statute or rule.

### 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:** October 18, 2010

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

Chapter 23, 2010 Laws 1<sup>st</sup> Special Session (2ESSB 6143) changed the apportionment and nexus provisions addressed in these rules, effective June 1, 2010. The Department is amending these rules to recognize that the guidance provided in the rules does not apply after May 31, 2010.

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 2010 legislation.

**Statutory authority for adoption:**

RCW 82.32.300 and 82.01.060 (2)

**Statute being implemented:**

RCW 82.04.460

**Is rule necessary because of a:**

Federal Law?  Yes  No  
Federal Court Decision?  Yes  No  
State Court Decision?  Yes  No

If yes, CITATION:

**Date** August 16, 2010

**Name**  
Alan R. Lynn

**Signature**

**Title** Rules Coordinator

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: August 16, 2010**

**TIME: 11:51 AM**

**WSR 10-17-081**

**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