



RULE-MAKING ORDER

CR-103 (June 2004) (Implements RCW 34.05.360)

Agency: Department of Revenue

- Permanent Rule
- Emergency Rule

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)

Effective date of rule:
Emergency Rules
 Immediately upon filing.
 Later (specify) July 1, 2005

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?
 Yes No If Yes, explain:

Purpose: WAC 458-20-165 explains the application of excise taxes to laundry, dry cleaning, linen and uniform supply, and self-service and coin-operated laundry services. Rule 165 explains that charges for coin-operated and self-service laundry facilities are a retail sale and subject to the retailing business and occupation (B&O) tax and retail sales tax. Chapter 514, Laws of 2005, excludes such charges from the definition of a retail sale. Thus, effective July 1, 2005, charges for coin-operated and self service laundry facilities will not be subject to retail sales tax and income derived from such charges will be subject to the service and other activities B&O tax.

The Department is adopting revisions to Rule 165 on an emergency basis to reflect this legislative change. The Department plans to proceed with rule making for permanent revisions to this rule.

Citation of existing rules affected by this order:

Amended: **WAC 458-20-165 (Laundry, dry cleaning, linen and uniform supply and self-service and coin-operated laundry services.)**

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

Other authority :

PERMANENT RULE ONLY (Including Expedited Rule Making)

Adopted under notice filed as WSR _____ on _____ (date).

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

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

EMERGENCY RULE ONLY

Under RCW 34.05.350 the agency for good cause finds:

- That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding: **An emergency adoption of Rule 165 is necessary because a permanent rule cannot be adopted before the July 1, 2005, effective date. This rule action will provide needed tax information to taxpayers and department staff about the law change.**

Date adopted:

NAME (TYPE OR PRINT)

Janis P. Bianchi

SIGNATURE

TITLE

Manager
 Interpretations and Technical Advice Unit

CODE REVISER USE ONLY

Filed: June 30, 2005

Time: 4:33 p.m.

WSR: 05-14-103

The above information was input by DOR.

**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:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	<u>1</u>	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>1</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:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	<u>1</u>	Repealed	_____