



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 458-20-165 (Rule 165) *Laundry, dry cleaning, linen and uniform supply, and self-service and coin-operated laundry services* explains the application of business & occupation (B&O), retail sales, and use taxes to laundries, dry cleaners, self-service laundries and dry cleaners, and linen and uniform supply services.

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: May 24, 2010

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

The Department proposes to amend Rule 165 to recognize the following legislation:

- **Chapter 563, Laws of 2009** – This legislation replaces resale certificates with reseller permits as the means to substantiate wholesale purchases Effective January 1, 2010.
- **Chapter 6, Laws of 2007** – This legislation changed the retail sales tax sourcing requirements for some sales. Information specific to sourcing retail sales is provided in WAC 458-20-145 *Local sales and use tax*. With respect to Rule 165, the explanation that the place of sale for laundry and dry cleaning businesses is the location of the facility is being changed to recognize that if the business delivers cleaned items to customer locations those sales should be sourced to the customer locations.

The Department also proposes to reorganize the information contained in the rule into 3 separate parts:

- Part I – Laundry or Dry Cleaning Services/Linen or Uniform Supply Services;
- Part II – Self-Service and Coin-Operated Laundry Facilities; and
- Part III – Laundry Services Performed for Nonprofit Health Care Facilities.

A copy of the draft rule is available for viewing and printing on our website at: [Rule Making Agenda](#)

Reasons supporting proposal: To recognize provisions of SB 6173 (chapter 563, Laws of 2009) and SSB 5089 (chapter 6, Laws of 2007).

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

Statute being implemented: Provisions of chapter 563, Laws of 2009, and chapter 6, Laws of 2007

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 March 24, 2010

Name
Alan R. Lynn

Signature

Title Rules Coordinator

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: March 24, 2010
TIME: 10:30 AM

WSR 10-07-161

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.