



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do NOT use for expedited rule making

Agency: Department of Revenue

Subject of possible rule making: WAC 458-20-241 Radio and television broadcasters

Statutes authorizing the agency to adopt rules on this subject: RCW 82.32.300, 82.01.060(2), and 82.04.280

Reasons why rules on this subject may be needed and what they might accomplish: WAC 458-20-241 (Rule 241) explains the B&O, retail sales, and use tax reporting responsibilities of radio and television broadcasters. This includes a B&O tax deduction provided for certain radio and television broadcasting revenues provided in RCW 82.04.280. The statute authorizes a deduction based on either: 1) a standard deduction based on information reported by the Federal Communications Commission (FCC); or 2) itemization by the individual broadcasting station.

Rule 241 currently contains language recognizing that the FCC no longer publishes the information, and explains that the Department will authorize a standard deduction if the broadcasting industry provides such information to the Department for verification. The Joint Legislative Audit and Review Committee, (JLARC) reviewed this deduction, and the Department's rule, and recommended that the Department conform the rule to comply with the statute as written. The Department is considering rule making to amend the rule consistent with the JLARC recommendation.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: None.

Process for developing new rule (check all that apply):
 Negotiated rule making
 Pilot rule making
 Agency study
 Other (describe) Parties interested in this rule making may contact the individual listed below. The public may also participate by providing written comments throughout this rule making or giving oral testimony at the public meeting or public hearing.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:
Written comments may be submitted to the following. Please provide comments by August 15, 2013

Armikka Bryant
Interpretations and Technical Advice Division
P. O. Box 47453
Olympia, WA 98504-7453

e-mail: ArmikkaB@dor.wa.gov;

Date: July 23, 2013
Name (type or print)
Alan R. Lynn
Signature
Alan R Lynn
Title
Assistant Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 23, 2013
TIME: 1:56 PM

WSR 13-15-146