



# PROPOSED RULE MAKING

## CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Revenue

- Preproposal Statement of Inquiry was filed as WSR 04-18-034; or
- Expedited Rule Making--Proposed notice was filed as WSR ; or
- Proposal is exempt under RCW 34.05.310(4).

- Original Notice
- Supplemental Notice to WSR \_\_\_\_\_
- Continuance of WSR \_\_\_\_\_

Title of rule and other identifying information: WAC 458-20-243 Litter tax

**Hearing location(s):**  
 Capitol Plaza Building  
 4<sup>th</sup> Floor – L&P Large Conference Room  
 1025 Union Avenue SE  
 Olympia, Washington

**Submit written comments to:**  
 Gayle Carlson  
 Department of Revenue  
 Post Office Box 47453  
 Olympia, Washington 98504-7453  
 e-mail GayleC@dor.wa.gov  
 FAX (360) 586-5543 by July 12, 2006

Date: July 12, 2006 Time: 9:30 am

**Assistance for persons with disabilities:** Contact Sandy Davis no later than 10 days before the hearing date. TTY 1-800-451-7985 or (360) 725-7499

**Date of intended adoption:** July 19, 2006  
 (Note: This is NOT the effective date)

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

The Department is proposing changes to WAC 458-20-243 (Rule 243) to include legislative changes that require taxpayers to report litter tax on each return filed, instead of annually. It also recognizes legislation that provided exemptions for food and beverages sold for consumption indoors on the seller's premises, and certain retail sales made by caterers. Definitions for some items, such as soft drinks, have also been updated to reflect changes in the law adopting Streamlined Sales and Use Tax Agreement definitions.

In addition, the Department is proposing a change to the tax reporting instructions for publishers of newspapers and magazines. The current rule states that the measure for litter tax is the same as specified for B&O tax purposes, which is the gross income from the publishing business including advertising income. The proposed rule changes the measure for litter tax to the gross proceeds from the sale of newspapers and magazines, which does not include advertising income.

### Reasons supporting proposal:

The revised rule will provide current tax information to taxpayers and Department staff.

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

**Statute being implemented:**  
 Chapter 82.19. RCW

### Is rule necessary because of a:

- Federal Law?  Yes  No
  - Federal Court Decision?  Yes  No
  - State Court Decision?  Yes  No
- If yes, CITATION:

**Filed: May 26, 2006**

**Time: 2:41 p.m.**

### Date

**WSR: 06-12-015**

### Name

Alan R. Lynn

### Signature

**The above information was input by DOR**

### Title

Rules Coordinator

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

None

**Name of proponent:** (person or organization)

Department of Revenue

- Private  
 Public  
 Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... Gayle Carlson	1025 Union Ave. SE. Ste #400, Olympia ,Wa	(360) 570-6126
Implementation.... Alan R. Lynn	1025 Union Ave. SE. Ste #400, Olympia ,Wa	(360) 570-6125
Enforcement..... Janis P. Bianchi	1025 Union Ave. SE. Ste #400, Olympia ,Wa	(360) 570-6147

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone (    ) \_\_\_\_\_

fax     (    ) \_\_\_\_\_

e-mail \_\_\_\_\_

No. Explain why no statement was prepared.

The rule does not impose any new performance requirement or administrative burden on any small business not required by statute.

**Is a cost-benefit analysis required under RCW 34.05.328?**

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone (    ) \_\_\_\_\_

fax     (    ) \_\_\_\_\_

e-mail \_\_\_\_\_

No: Please explain: The proposed rule is not a significant legislative rule as defined by RCW 34.05.328.