



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 458-20-246 (Rule 246) *Sales to or through a direct seller's representative* explains the business and occupation (B&O) tax exemption provided by RCW 82.04.423, commonly referred to as the "direct seller's exemption."

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 4, 2010

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

The Department is proposing a revision to Rule 246 to recognize 2ESSB 6143 (chapter 23, Laws of 2010). This legislation:

- reaffirmed and clarified the legislature's intent in establishing the direct sellers' exemption; and
- repealed the exemption effective May 1, 2010.

Language has also been added to subsections (2) and (3) to clarify that in the rule "direct seller" refers to the selling company, and "direct seller's representative" refers to the person who purchases consumer products from the direct seller and resells the products, or sells for or solicits sales on behalf of the direct seller.

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 provisions of 2ESSB 6143, chapter 23, Laws of 2010.

Statutory authority for adoption:

RCW 82.32.300 and 82.01.060(2).

Statute being implemented:

RCW 82.04.423

Is rule necessary because of a:

Federal Law? Yes No

Federal Court Decision? Yes No

State Court Decision? Yes No

If yes, CITATION:

Date July 21, 2010

Name
Alan R. Lynn

Signature

Title Rules Coordinator

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 21, 2010

TIME: 4:01 PM

WSR 10-16-007

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.