



RULE-MAKING ORDER

CR-103P (May 2009)
(Implements RCW 34.05.360)

Agency: Department of Revenue

Permanent Rule Only

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)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

Yes No If Yes, explain:

Purpose:

Under RCW 43.20A.725 and 80.36.430, the Department is required to annually determine the tax rates imposed on switched access lines to fund the telephone relay service program and the Washington telephone assistance program. The Telecommunications Relay Services (TRS) and Washington Telephone Assistance Program (WTAP) tax rates are determined by dividing the respective program budgets by the number of switched access lines reported to the Department in the prior calendar year. The Department retains no discretion in the determination of these tax rates, the amount of which is explicitly dictated by the statutory formulas and inputs provided to the Department.

The Department is amending WAC 458-20-270 to recognize

- the tax rates effective July 1, 2013, which are the same as those for the previous year, and
- 2E2SHB 1971 (chapter 8, Laws of 2013 2nd spec. sess.), which, effective August 1, 2013, eliminates these taxes and funds the programs by biennial general fund appropriations.

Citation of existing rules affected by this order:

Repealed:

Amended: WAC 458-20-270 Telephone program excise tax rates

Suspended:

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

Other authority : RCW 43.20A .725 and 80.36.430

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 13-10-014 on April 22, 2013.

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

Language has been added to recognize that 2E2SHB, which eliminates these taxes effective August 1, 2013.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting: **An analysis was not prepared.**

Date adopted: July 16, 2013

NAME (TYPE OR PRINT)

Alan R. Lynn

SIGNATURE

TITLE

Assistant Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 16, 2013

TIME: 1:24 PM

WSR 13-15-074

**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	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New _____ Amended _____ Repealed _____

The number of sections adopted in the agency's own initiative:

New _____ Amended 1 Repealed _____

The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New _____ Amended _____ Repealed _____

The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	_____	Repealed	_____

AMENDATORY SECTION (Amending WSR 12-14-039, filed 6/27/12, effective 7/28/12)

WAC 458-20-270 Telephone program excise tax rates. RCW 82.72.020 requires the department of revenue (department) to collect certain telephone program excise taxes. Those taxes include the tax on switched access lines imposed by RCW 43.20A.725 (telephone relay service—TRS) and 80.36.430 (Washington telephone assistance program—WTAP). Pursuant to those statutes, the department must annually determine the rate of each respective tax according to the statutory formulas.

Effective August 1, 2013, Second Engrossed Second Substitute House Bill No. 1971 (chapter 8, Laws of 2013 2nd sp.s.) repeals the TRS and WTAP taxes. Telephone service providers will no longer collect these taxes as of the effective date.

The monthly telephone program excise tax rates per switched access line are as follows:

Period	TRS Rate	WTAP Rate
((7/1/2008—6/30/2009	12 cents	13 cents))
7/1/2009 - 6/30/2010	11 cents	13 cents
7/1/2010 - 6/30/2011	19 cents	14 cents
7/1/2011 - 6/30/2012	19 cents	14 cents
7/1/2012 - 6/30/2013	17 cents	14 cents
<u>7/1/2013 - 7/31/2013</u>	<u>17 cents</u>	<u>14 cents</u>