



State of Washington  
Department of Revenue

# Excise Tax Advisory

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Excise Tax Advisories (ETA) are interpretive statements issued by the Department of Revenue under authority of RCW 34.05.230. ETAs explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. They are advisory for taxpayers; however, the Department is bound by these advisories until superseded by Court action, Legislative action, rule adoption, or an amendment to or cancellation of the ETA.

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NUMBER: 333.16.179

CONVERSION DATE: July 1, 1998

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**This ETA is cancelled effective November 30, 2007**

## EXEMPTION REQUIREMENTS FOR CERTAIN GRAIN HAULS BY TRUCK

Issued September 1, 1984

RCW 82.16.050(8) exempts truck, water or rail carriers from public utility tax on gross income earned from hauling to a port facility when it can be shown that the commodity carried is thereafter taken directly by water carrier to interstate or foreign points.

Since June 1, 1965, tug and barge operators have been subject to the public utility tax and therefore water hauls are exempt under the foregoing statute when all requirements are met.

Income earned from intrastate truck transportation of grain is not exempt except when delivery is made directly to a water carrier or an export port facility on a through bill of lading. However, in 1968, the Department of Revenue, under the authority granted by RCW 82.32.300 and in recognition of the increasing use of barge-tug carriers in reshipment of grain to export terminals in Washington and Oregon, determined that the public utility tax deduction will apply to the gross income earned from hauling grain by truck to storage facilities: PROVIDED, the trucker received from the grain dealer the following certification:

- (1) That more than 96% of all grain received at the storage facilities during the preceding calendar year was in fact shipped by vessel in original form to foreign or interstate destinations.

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***ETBS have been made Excise Tax Advisories, and have retained their old number. Advisories with a 2 (plus three digits) are new advisories, ETBs that have been revised and readopted after review under the Department's regulatory improvement program, or advisories that have been revised and/or readopted.***

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(2) That any of the grain which is transshipped to tidewater ports in Washington will be received at storage facilities operated by the same dealer and will be shipped from such facilities in its original form by a vessel to out-of-state or foreign destination.

The question which has now arisen is whether transportation of grain by truck to an interim central storage facility and then by rail to the export port facility, can qualify for the statutory deduction for the truck hauled portion. The Department has determined that the subsequent transportation by rail is similar to subsequent transportation by barge-tug carrier. Accordingly, the statutory deduction applies to such initial haul by truck, provided the above certification requirement is followed.

The following form is approved for use in implementing these special cases of the public utility tax exemption for haul by truck:

The undersigned grain dealer hereby certifies:

1. That 96% or more of all grain hauled by the following named trucking firm to the dealer's storage facilities at \_\_\_\_\_ will be transshipped in its original form either

(a) directly to an out-of-state or foreign destination by vessel, or

(b) to storage facilities located in the State of Washington on tidewater or navigable tributaries thereto, operated by the undersigned grain dealer, and therefrom shipped by vessel in original form to an out-of-state or foreign destination.

2. That more than 96% of all grain received during the preceding calendar year at the aforesaid storage facilities at \_\_\_\_\_, was in fact shipped by vessel, in its original form, to foreign or interstate destination.

Trucking Firm \_\_\_\_\_ Grain Dealer \_\_\_\_\_ Address \_\_\_\_\_ Address  
Registration No. \_\_\_\_\_ Registration No. \_\_\_\_\_