



STATE OF WASHINGTON

DEPARTMENT OF REVENUE

CANCELLATION OF INTERPRETIVE STATEMENTS

The Department of Revenue has cancelled the following excise tax advisories (ETAs).

ETA 144.04.193 Distributor for out-of-state manufacturer – Agent or seller This document explains that a person is considered to be a buyer/seller of goods and not merely an agent when that person has actual or constructive possession of property as evidenced by the person's ability to sell the products in its own name. In the present scenario, the taxpayer is an in-state company selling products manufactured by its out-of-state parent and the agreement was explicit that the taxpayer was the buyer of the parent's goods. There is no need for this document as the tax reporting responsibilities of such arrangements are sufficiently addressed in WAC 458-20-159.

ETA 206.08.176 Restoration of a fishing vessel in this state for exhibition purposes by and in another state This document explains that the exemption from retail sales tax for deep sea fishing vessels (RCW 82.08.0262) applies only to vessels actually used for deep sea fishing, and does not apply to a fishing vessel to be used for exhibition purposes. There is no need for this document as the statute and WAC 458-20-176 both provide that the exemption is available for watercraft used in conducting commercial deep sea fishing outside the territorial waters of Washington.

ETA 226.08.177 Automobile sales arranged by out-of-state firm but consummated through in-state dealer This document explains that an in-state dealer making local deliveries of vehicles to consumers and showing itself as the seller in both its books of account and on the dealer's report of sale for title and registration documents. There is no need for this document as the documentation requirements for a person claiming to be acting as an agent in promoting sales of another are explained in WAC 458-20-159. This document also erroneously explains that an out-of-state business must be registered with the Department in order to provide a resale certificate. WAC 458-20-102(9) explains that a seller may take a resale certificate from an unregistered nonresident buyer.

ETA 281.04.193 Interstate mail delivery by vendor of goods sold This document explains that where property is delivered by a seller to a point outside the state, the seller must retain records proof that delivery was actually made outside the state. It explains that where delivery is made by mail, retention of sales slips indicating that out-of-state delivery was required and insurance receipts from the post office are sufficient to prove the interstate nature of the sales. There is no need for this document.

ETA 344.12.145 Local use tax- Allocation when credit allocated for sales or use taxes paid another state This document explains that RCW 82.56.010 contains specific directions for the allocation of the credit allowed against Washington's use tax for sales or use taxes paid to another state by the present user. The document recites language from the statute, and provides an example of how such a distribution would be made. Additionally, this is an administrative process that does not affect the amount of tax owed or the amount of credit available to a taxpayer. There is no need for this document.

ETA 386.04.159 Consignee or seller This document consists of one paragraph distinguishing between a contract of consignment and a contract of sale. This document is not needed. WAC 458-20-159 adequately addresses this issue and also discusses record keeping requirements, which are not addressed in this document.

ETA 411.04.111 Activities performed by nonprofit associations This document explains that a nonprofit association, in this case an incorporated association of farmers, is a person subject to B&O tax on its business activities. This document is not needed as WAC 458-20-169 provides a comprehensive explanation of the tax-reporting responsibilities of nonprofit organizations.

ETA 481.12.178 Sales or use tax applicable to items both leased and used for personal use This document explains that a person that purchases an item for resale or lease without intervening use need not pay sales or use tax on that item, while a person that purchases an item for lease and personal use is subject to retail sales or use tax. It also explains that the measure of tax is not applied pro rata on the basis of the comparable percentages of personal and leasing use. There is no need for this document as this issue is a straight-forward application of law and is addressed in multiple Washington Tax Decisions (WTDs) and ETA 356.12.211.

ETA 521.04.241 1982 Standard deduction – Radio and television broadcasting This document provides the standard deduction for radio and television broadcasting, based on FCC statistics, for calendar year 1982. This information is not needed.

Copies of the cancelled documents are available via the Department's website at <http://dor.wa.gov/content/FindALawOrRule/>, or a request for copies may be directed to:

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