



State of Washington
Department of Revenue

Excise Tax Advisory

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 They are advisory for taxpayers; however, the Department is bound by these advisories until superseded by Court action, Legislative action, rule adoption, or an amendment to or cancellation of the ETA.

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**This ETA is cancelled effective February 2, 2009 and reissued under the 3000 series.
See ETA 3001 for a cross-reference to the new series.**

USE TAX ON WASTE PRODUCTS IN MEAT PROCESSING

Issued August 19, 1966

Do wiener casings, stockinettes, and casing thread used in the manufacturing of meat products constitute ingredients or components of the finished products?

Taxpayers engaged in the manufacturing of meat products, used various articles in its process which, as an incident to the refinement of the end product, become reduced to waste. Stockinettes held hams in place during the curing process and were ultimately discarded. Wiener casings were used in the forming of skinless wieners and linker thread was used to tie off the links. Both of the latter articles became waste.

The Use Tax applies to "consumers" of tangible personal property. "Consumer" is defined in RCW 82.04.190 as a user of an article other than in the production for sale of "a new article of tangible personal property or a new substance, of which such property becomes an ingredient or component."

The Commission held that, since these articles were discarded prior to their resale, they did not become ingredients or components of a manufactured article and so were subject to Use Tax. The fact that they were temporarily united with other ingredients or their utility was destroyed in the course of processing was immaterial to determination of the tax consequences. (Order.)

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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