



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (October 2017)
(Implements RCW 34.05.310)
Do **NOT** use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: October 02, 2018

TIME: 8:18 AM

WSR 18-20-097

Agency: Department of Revenue

Subject of possible rule making: WAC 458-20-221 – Collection of use tax by retailers and selling agents.

Statutes authorizing the agency to adopt rules on this subject: RCW 82.32.300, 82.01.060, and 82.32.733

Reasons why rules on this subject may be needed and what they might accomplish: WAC 458-20-221 provides guidance regarding the need for a seller to have a physical presence in Washington in order to establish the required nexus for the state to impose a use tax collection obligation on retail sales into Washington. The U.S. Supreme Court's recent decision in *South Dakota v. Wayfair*, 138 S.Ct. 2080 (2018), allowed Washington to impose a sales or use tax collection obligation on sellers who do not have a physical presence in this state. Pursuant to this decision and RCW 82.08.0254, 82.12.0255, and 82.32.733, effective October 1, 2018, the Department will require a remote seller to collect retail sales or use tax on all taxable sales sourced to Washington if it exceeds \$100,000 in gross retail sales or 200 retail transactions in the state during the current or prior calendar year. Therefore, this rule needs to be updated to reflect these changes to who is required to collect use tax on taxable retail sales into Washington.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: N/A

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) Parties interested in this rulemaking may contact the individual listed below. The public may also participate by providing written comments throughout this rulemaking process or giving oral testimony at the public meeting and/or public hearing.


Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:

Name: Adam Wolfson
Address: P.O. Box 47453, Olympia, WA 98504-7453
Phone: 360-534-1588
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TTY: 800-833-6384
Email: adamw@dor.wa.gov
Web site: dor.wa.gov
Other: N/A

(If necessary)

Name:
Address:
Phone:
Fax:
TTY:
Email:
Web site:
Other:

Additional comments: Written comments may be submitted by mail or email and should be directed to Adam Wolfson using one of the contact methods above.

Date: October 2, 2018	Signature: 
Name: Erin T Lopez	
Title: Rules Coordinator	