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HOUSE BILL 1285

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State of Washington

53rd Legislature

1993 Regular Session

By Representatives Appelwick, Brough, Scott, Long, Karahalios,  
Johanson, Foreman, Campbell and Leonard

Read first time 01/22/93. Referred to Committee on Judiciary.

1 AN ACT Relating to elimination of termination dates for taxes  
2 enacted in chapter 271, Laws of 1989, known as the Omnibus Alcohol and  
3 Controlled Substances Act; amending RCW 66.24.210, 66.24.290,  
4 82.08.150, and 82.24.020; repealing RCW 82.64.900; and declaring an  
5 emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 66.24.210 and 1991 c 192 s 3 are each amended to read  
8 as follows:

9 (1) There is hereby imposed upon all wines sold to wine wholesalers  
10 and the Washington state liquor control board, within the state a tax  
11 at the rate of twenty and one-fourth cents per liter: PROVIDED,  
12 HOWEVER, That wine sold or shipped in bulk from one winery to another  
13 winery shall not be subject to such tax. The tax provided for in this  
14 section may, if so prescribed by the board, be collected by means of  
15 stamps to be furnished by the board, or by direct payments based on  
16 wine purchased by wine wholesalers. Every person purchasing wine under  
17 the provisions of this section shall on or before the twentieth day of  
18 each month report to the board all purchases during the preceding  
19 calendar month in such manner and upon such forms as may be prescribed

1 by the board, and with such report shall pay the tax due from the  
2 purchases covered by such report unless the same has previously been  
3 paid. Any such purchaser of wine whose applicable tax payment is not  
4 postmarked by the twentieth day following the month of purchase will be  
5 assessed a penalty at the rate of two percent a month or fraction  
6 thereof. If this tax be collected by means of stamps, every such  
7 person shall procure from the board revenue stamps representing the tax  
8 in such form as the board shall prescribe and shall affix the same to  
9 the package or container in such manner and in such denomination as  
10 required by the board and shall cancel the same prior to the delivery  
11 of the package or container containing the wine to the purchaser. If  
12 the tax is not collected by means of stamps, the board may require that  
13 every such person shall execute to and file with the board a bond to be  
14 approved by the board, in such amount as the board may fix, securing  
15 the payment of the tax. If any such person fails to pay the tax when  
16 due, the board may forthwith suspend or cancel the license until all  
17 taxes are paid.

18 (2) An additional tax is imposed equal to the rate specified in RCW  
19 82.02.030 multiplied by the tax payable under subsection (1) of this  
20 section. All revenues collected during any month from this additional  
21 tax shall be transferred to the state general fund by the twenty-fifth  
22 day of the following month.

23 (3) An additional tax is imposed on wines subject to tax under  
24 subsection (1) of this section, at the rate of one-fourth of one cent  
25 per liter for wine sold after June 30, 1987. Such additional tax shall  
26 cease to be imposed on July 1, 1993. All revenues collected under this  
27 subsection (3) shall be disbursed quarterly to the Washington wine  
28 commission for use in carrying out the purposes of chapter 15.88 RCW.

29 (4) (~~Until July 1, 1995,~~) An additional tax is imposed on all  
30 wine subject to tax under subsection (1) of this section. The  
31 additional tax is equal to twenty-three and forty-four one-hundredths  
32 cents per liter on fortified wine as defined in RCW 66.04.010(34) when  
33 bottled or packaged by the manufacturer and one cent per liter on all  
34 other wine. All revenues collected during any month from this  
35 additional tax shall be deposited in the drug enforcement and education  
36 account under RCW 69.50.520 by the twenty-fifth day of the following  
37 month.

1       **Sec. 2.** RCW 66.24.290 and 1989 c 271 s 502 are each amended to  
2 read as follows:

3       (1) Any brewer or beer wholesaler licensed under this title may  
4 sell and deliver beer to holders of authorized licenses direct, but to  
5 no other person, other than the board; and every such brewer or beer  
6 wholesaler shall report all sales to the board monthly, pursuant to the  
7 regulations, and shall pay to the board as an added tax for the  
8 privilege of manufacturing and selling the beer within the state a tax  
9 of two dollars and sixty cents per barrel of thirty-one gallons on  
10 sales to licensees within the state and on sales to licensees within  
11 the state of bottled and canned beer shall pay a tax computed in  
12 gallons at the rate of two dollars and sixty cents per barrel of  
13 thirty-one gallons. Any brewer or beer wholesaler whose applicable tax  
14 payment is not postmarked by the twentieth day following the month of  
15 sale will be assessed a penalty at the rate of two percent per month or  
16 fraction thereof. Each such brewer or wholesaler shall procure from  
17 the board revenue stamps representing such tax in form prescribed by  
18 the board and shall affix the same to the barrel or package in such  
19 manner and in such denominations as required by the board, and shall  
20 cancel the same prior to commencing delivery from his place of business  
21 or warehouse of such barrels or packages. Beer shall be sold by  
22 brewers and wholesalers in sealed barrels or packages. The revenue  
23 stamps herein provided for need not be affixed and canceled in the  
24 making of resales of barrels or packages already taxed by the  
25 affixation and cancellation of stamps as provided in this section.

26       (2) An additional tax is imposed equal to the rate specified in RCW  
27 82.02.030 multiplied by the tax payable under subsection (1) of this  
28 section. All revenues collected during any month from this additional  
29 tax shall be transferred to the state general fund by the twenty-fifth  
30 day of the following month.

31       (3) (~~Until July 1, 1995,~~) An additional tax is imposed on all  
32 beer subject to tax under subsection (1) of this section. The  
33 additional tax is equal to two dollars per barrel of thirty-one  
34 gallons. All revenues collected during any month from this additional  
35 tax shall be deposited in the drug enforcement and education account  
36 under RCW 69.50.520 by the twenty-fifth day of the following month.

37       (4) The tax imposed under this section shall not apply to "strong  
38 beer" as defined in this title.

1       **Sec. 3.** RCW 82.08.150 and 1989 c 271 s 503 are each amended to  
2 read as follows:

3       (1) There is levied and shall be collected a tax upon each retail  
4 sale of spirits, or strong beer in the original package at the rate of  
5 fifteen percent of the selling price. The tax imposed in this  
6 subsection shall apply to all such sales including sales by the  
7 Washington state liquor stores and agencies, but excluding sales to  
8 class H licensees.

9       (2) There is levied and shall be collected a tax upon each sale of  
10 spirits, or strong beer in the original package at the rate of ten  
11 percent of the selling price on sales by Washington state liquor stores  
12 and agencies to class H licensees.

13       (3) There is levied and shall be collected an additional tax upon  
14 each retail sale of spirits in the original package at the rate of one  
15 dollar and seventy-two cents per liter. The additional tax imposed in  
16 this subsection shall apply to all such sales including sales by  
17 Washington state liquor stores and agencies, and including sales to  
18 class H licensees.

19       (4) An additional tax is imposed equal to the rate specified in RCW  
20 82.02.030 multiplied by the taxes payable under subsections (1), (2),  
21 and (3) of this section.

22       (5) (~~Until July 1, 1995,~~) An additional tax is imposed upon each  
23 retail sale of spirits in the original package at the rate of seven  
24 cents per liter. The additional tax imposed in this subsection shall  
25 apply to all such sales including sales by Washington state liquor  
26 stores and agencies, and including sales to class H licensees. All  
27 revenues collected during any month from this additional tax shall be  
28 deposited in the drug enforcement and education account under RCW  
29 69.50.520 by the twenty-fifth day of the following month.

30       (6) The tax imposed in RCW 82.08.020, as now or hereafter amended,  
31 shall not apply to sales of spirits or strong beer in the original  
32 package.

33       (7) The taxes imposed in this section shall be paid by the buyer to  
34 the seller, and each seller shall collect from the buyer the full  
35 amount of the tax payable in respect to each taxable sale under this  
36 section. The taxes required by this section to be collected by the  
37 seller shall be stated separately from the selling price and for  
38 purposes of determining the tax due from the buyer to the seller, it

1 shall be conclusively presumed that the selling price quoted in any  
2 price list does not include the taxes imposed by this section.

3 (8) As used in this section, the terms, "spirits," "strong beer,"  
4 and "package" shall have the meaning ascribed to them in chapter 66.04  
5 RCW.

6 **Sec. 4.** RCW 82.24.020 and 1989 c 271 s 504 are each amended to  
7 read as follows:

8 (1) There is levied and there shall be collected as hereinafter  
9 provided, a tax upon the sale, use, consumption, handling, possession  
10 or distribution of all cigarettes, in an amount equal to the rate of  
11 eleven and one-half mills per cigarette.

12 (2) (~~Until July 1, 1995,~~) An additional tax is imposed upon the  
13 sale, use, consumption, handling, possession, or distribution of all  
14 cigarettes, in an amount equal to the rate of one and one-half mills  
15 per cigarette. All revenues collected during any month from this  
16 additional tax shall be deposited in the drug enforcement and education  
17 account under RCW 69.50.520 by the twenty-fifth day of the following  
18 month.

19 (3) Wholesalers and retailers subject to the payment of this tax  
20 may, if they wish, absorb one-half mill per cigarette of the tax and  
21 not pass it on to purchasers without being in violation of this section  
22 or any other act relating to the sale or taxation of cigarettes.

23 (4) For purposes of this chapter, "possession" shall mean both (a)  
24 physical possession by the purchaser and, (b) when cigarettes are being  
25 transported to or held for the purchaser or his designee by a person  
26 other than the purchaser, constructive possession by the purchaser or  
27 his designee, which constructive possession shall be deemed to occur at  
28 the location of the cigarettes being so transported or held.

29 NEW SECTION. **Sec. 5.** RCW 82.64.900 and 1989 c 271 s 509 are each  
30 repealed.

31 NEW SECTION. **Sec. 6.** This act is necessary for the immediate  
32 preservation of the public peace, health, or safety, or support of the  
33 state government and its existing public institutions, and shall take  
34 effect immediately.

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