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**SUBSTITUTE SENATE BILL 5210**

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**State of Washington**

**52nd Legislature**

**1991 Regular Session**

**By** Senate Committee on Financial Institutions & Insurance (originally sponsored by Senators von Reichbauer, Bauer, Matson, Moore, West, Owen, Saling, Newhouse, L. Smith, Hansen, Sellar, Gaspard, Johnson, Vognild, Thorsness, Oke, McCaslin, Metcalf, Nelson, Stratton, Jesernig, Bailey, Craswell, Madsen, Sutherland, Conner and Pelz).

Read first time February 6, 1991.

1       AN ACT Relating to the business and occupation taxation of  
2 insurance agents, brokers, and solicitors; and amending RCW 82.04.260.

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

4       **Sec. 1.** RCW 82.04.260 and 1990 c 21 s 2 are each amended to read  
5 as follows:

6       (1) Upon every person engaging within this state in the business of  
7 buying wheat, oats, dry peas, dry beans, lentils, triticale, corn, rye  
8 and barley, but not including any manufactured or processed products  
9 thereof, and selling the same at wholesale; the tax imposed shall be  
10 equal to the gross proceeds derived from such sales multiplied by the  
11 rate of one-hundredth of one percent.

12       (2) Upon every person engaging within this state in the business of  
13 manufacturing wheat into flour, barley into pearl barley, soybeans into  
14 soybean oil, or sunflower seeds into sunflower oil; as to such persons  
15 the amount of tax with respect to such business shall be equal to the

1 value of the flour, pearl barley, or oil manufactured, multiplied by  
2 the rate of one-eighth of one percent.

3 (3) Upon every person engaging within this state in the business of  
4 splitting or processing dried peas; as to such persons the amount of  
5 tax with respect to such business shall be equal to the value of the  
6 peas split or processed, multiplied by the rate of one-quarter of one  
7 percent.

8 (4) Upon every person engaging within this state in the business of  
9 manufacturing seafood products which remain in a raw, raw frozen, or  
10 raw salted state at the completion of the manufacturing by that person;  
11 as to such persons the amount of tax with respect to such business  
12 shall be equal to the value of the products manufactured, multiplied by  
13 the rate of one-eighth of one percent.

14 (5) Upon every person engaging within this state in the business of  
15 manufacturing by canning, preserving, freezing or dehydrating fresh  
16 fruits and vegetables; as to such persons the amount of tax with  
17 respect to such business shall be equal to the value of the products  
18 canned, preserved, frozen or dehydrated multiplied by the rate of  
19 three-tenths of one percent.

20 (6) Upon every nonprofit corporation and nonprofit association  
21 engaging within this state in research and development, as to such  
22 corporations and associations, the amount of tax with respect to such  
23 activities shall be equal to the gross income derived from such  
24 activities multiplied by the rate of forty-four one-hundredths of one  
25 percent.

26 (7) Upon every person engaging within this state in the business  
27 of slaughtering, breaking and/or processing perishable meat products  
28 and/or selling the same at wholesale only and not at retail; as to such  
29 persons the tax imposed shall be equal to the gross proceeds derived  
30 from such sales multiplied by the rate of twenty-five one-hundredths of

1 one percent through June 30, 1986, and one-eighth of one percent  
2 thereafter.

3 (8) Upon every person engaging within this state in the business  
4 of making sales, at retail or wholesale, of nuclear fuel assemblies  
5 manufactured by that person, as to such persons the amount of tax with  
6 respect to such business shall be equal to the gross proceeds of sales  
7 of the assemblies multiplied by the rate of twenty-five one-hundredths  
8 of one percent.

9 (9) Upon every person engaging within this state in the business  
10 of manufacturing nuclear fuel assemblies, as to such persons the amount  
11 of tax with respect to such business shall be equal to the value of the  
12 products manufactured multiplied by the rate of twenty-five one-  
13 hundredths of one percent.

14 (10) Upon every person engaging within this state in the business  
15 of acting as a travel agent; as to such persons the amount of the tax  
16 with respect to such activities shall be equal to the gross income  
17 derived from such activities multiplied by the rate of twenty-five one-  
18 hundredths of one percent.

19 (11) Upon every person engaging within this state in business as  
20 an international steamship agent, international customs house broker,  
21 international freight forwarder, vessel and/or cargo charter broker in  
22 foreign commerce, and/or international air cargo agent; as to such  
23 persons the amount of the tax with respect to only international  
24 activities shall be equal to the gross income derived from such  
25 activities multiplied by the rate of thirty-three one-hundredths of one  
26 percent.

27 (12) Upon every person engaging within this state in the business  
28 of stevedoring and associated activities pertinent to the movement of  
29 goods and commodities in waterborne interstate or foreign commerce; as  
30 to such persons the amount of tax with respect to such business shall

1 be equal to the gross proceeds derived from such activities multiplied  
2 by the rate of thirty-three one hundredths of one percent. Persons  
3 subject to taxation under this subsection shall be exempt from payment  
4 of taxes imposed by chapter 82.16 RCW for that portion of their  
5 business subject to taxation under this subsection. Stevedoring and  
6 associated activities pertinent to the conduct of goods and commodities  
7 in waterborne interstate or foreign commerce are defined as all  
8 activities of a labor, service or transportation nature whereby cargo  
9 may be loaded or unloaded to or from vessels or barges, passing over,  
10 onto or under a wharf, pier, or similar structure; cargo may be moved  
11 to a warehouse or similar holding or storage yard or area to await  
12 further movement in import or export or may move to a consolidation  
13 freight station and be stuffed, unstuffed, containerized, separated or  
14 otherwise segregated or aggregated for delivery or loaded on any mode  
15 of transportation for delivery to its consignee. Specific activities  
16 included in this definition are: Wharfage, handling, loading,  
17 unloading, moving of cargo to a convenient place of delivery to the  
18 consignee or a convenient place for further movement to export mode;  
19 documentation services in connection with the receipt, delivery,  
20 checking, care, custody and control of cargo required in the transfer  
21 of cargo; imported automobile handling prior to delivery to consignee;  
22 terminal stevedoring and incidental vessel services, including but not  
23 limited to plugging and unplugging refrigerator service to containers,  
24 trailers, and other refrigerated cargo receptacles, and securing ship  
25 hatch covers.

26 (13) Upon every person engaging within this state in the business  
27 of disposing of low-level waste, as defined in RCW 43.145.010; as to  
28 such persons the amount of the tax with respect to such business shall  
29 be equal to the gross income of the business, excluding any fees

1 imposed under chapter 43.200 RCW, multiplied by the rate of fifteen  
2 percent.

3 (a) The rate specified in this subsection shall be reduced to ten  
4 percent upon the effective date of legislation adopted pursuant to RCW  
5 81.04.520 governing regulation of the business of low-level radioactive  
6 waste disposal.

7 (b) The rate specified in this subsection shall be further reduced  
8 to five percent on January 1, 1992, if (a) of this subsection has taken  
9 effect.

10 If the gross income of the taxpayer is attributable to activities  
11 both within and without this state, the gross income attributable to  
12 this state shall be determined in accordance with the methods of  
13 apportionment required under RCW 82.04.460.

14 (14) Upon every person engaging within this state as an insurance  
15 agent, insurance broker, or insurance solicitor licensed under chapter  
16 48.15 or 48.17 RCW; as to such persons, the amount of the tax with  
17 respect to such licensed activities shall be equal to the gross income  
18 of such business multiplied by the rate of one percent. The measure of  
19 tax on insurance commissions earned by an insurance agent, insurance  
20 broker, or insurance solicitor is the gross commission retained by that  
21 particular agent, broker, or solicitor after the particular agent,  
22 broker, or solicitor has paid any other agent, broker, or solicitor a  
23 portion of the gross commission that the agent, broker, or solicitor  
24 was legally required to pay under a written or otherwise legally  
25 enforceable contract or agreement. No such reduction in the measure of  
26 tax on insurance commissions will be allowed for any amount paid to  
27 another agent, broker, or solicitor unless such other person is subject  
28 to the tax imposed by this subsection on the amount so paid.