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SENATE BILL 5920

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State of Washington                      52nd Legislature                      1991 Regular Session

By Senator Bailey.

Read first time March 5, 1991. Referred to Committee on Ways & Means.

1            AN ACT Relating to drug abuse resistance education; amending RCW  
2 66.24.210, 66.24.290, and 82.08.150; adding a new section to chapter  
3 43.63A RCW; providing an effective date; and declaring an emergency.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 43.63A RCW  
6 to read as follows:

7            The drug abuse resistance education fund is established in the  
8 custody of the state treasurer. Moneys in the fund may be spent only  
9 for drug abuse resistance education in the schools of the state.  
10 Disbursements from the fund shall be on authorization of the director  
11 of community development or the director's designee. The fund is  
12 subject to the allotment procedures under chapter 43.88 RCW, but no  
13 appropriation is required for expenditures.

14            Moneys in the fund shall be distributed as grants to agencies of  
15 local government to conduct drug abuse resistance education programs in

1 the schools of the state. The grants shall be awarded by the  
2 Washington association of sheriffs and police chiefs pursuant to  
3 criteria adopted by the association. The criteria may require the  
4 grant recipients to provide matching funds from nonstate sources. Not  
5 more than four percent of the moneys in the fund may be expended by the  
6 association for expenses incurred in the administration of the grant  
7 program.

8 **Sec. 2.** RCW 66.24.210 and 1989 c 271 s 501 are each amended to  
9 read as follows:

10 (1) There is hereby imposed upon all wines sold to wine wholesalers  
11 and the Washington state liquor control board, within the state a tax  
12 at the rate of twenty and one-fourth cents per liter: PROVIDED,  
13 HOWEVER, That wine sold or shipped in bulk from one winery to another  
14 winery shall not be subject to such tax. The tax provided for in this  
15 section may, if so prescribed by the board, be collected by means of  
16 stamps to be furnished by the board, or by direct payments based on  
17 wine purchased by wine wholesalers. Every person purchasing wine under  
18 the provisions of this section shall on or before the twentieth day of  
19 each month report to the board all purchases during the preceding  
20 calendar month in such manner and upon such forms as may be prescribed  
21 by the board, and with such report shall pay the tax due from the  
22 purchases covered by such report unless the same has previously been  
23 paid. Any such purchaser of wine whose applicable tax payment is not  
24 postmarked by the twentieth day following the month of purchase will be  
25 assessed a penalty at the rate of two percent a month or fraction  
26 thereof. If this tax be collected by means of stamps, every such  
27 person shall procure from the board revenue stamps representing the tax  
28 in such form as the board shall prescribe and shall affix the same to  
29 the package or container in such manner and in such denomination as

1 required by the board and shall cancel the same prior to the delivery  
2 of the package or container containing the wine to the purchaser. If  
3 the tax is not collected by means of stamps, the board may require that  
4 every such person shall execute to and file with the board a bond to be  
5 approved by the board, in such amount as the board may fix, securing  
6 the payment of the tax. If any such person fails to pay the tax when  
7 due, the board may forthwith suspend or cancel the license until all  
8 taxes are paid.

9 (2) An additional tax is imposed equal to the rate specified in RCW  
10 82.02.030 multiplied by the tax payable under subsection (1) of this  
11 section. All revenues collected during any month from this additional  
12 tax shall be transferred to the state general fund by the twenty-fifth  
13 day of the following month.

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

20 (4) Until July 1, 1995, an additional tax is imposed on all wine  
21 subject to tax under subsection (1) of this section. The additional  
22 tax is equal to twenty-three and forty-four one-hundredths cents per  
23 liter on wine containing alcohol in an amount equal to or more than  
24 fourteen percent by volume when bottled or packaged by the manufacturer  
25 and one cent per liter on all other wine. All revenues collected  
26 during any month from this additional tax shall be deposited in the  
27 drug enforcement and education account under RCW 69.50.520 by the  
28 twenty-fifth day of the following month.

29 (5) An additional tax is imposed on wines subject to tax under  
30 subsection (1) of this section, at the rate of 1.62 cents per liter on

1 wine containing alcohol in an amount equal to or more than fourteen  
2 percent by volume when bottled or packaged by the manufacturer and 0.82  
3 cents per liter on all other wine. All revenues collected during any  
4 month from this additional tax shall be deposited in the drug abuse  
5 resistance education fund established by section 1 of this act by the  
6 twenty-fifth day of the following month.

7       **Sec. 3.** RCW 66.24.290 and 1989 c 271 s 502 are each amended to  
8 read as follows:

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

1 resales of barrels or packages already taxed by the affixation and  
2 cancellation of stamps as provided in this section.

3 (2) An additional tax is imposed equal to the rate specified in RCW  
4 82.02.030 multiplied by the tax payable under subsection (1) of this  
5 section. All revenues collected during any month from this additional  
6 tax shall be transferred to the state general fund by the twenty-fifth  
7 day of the following month.

8 (3) Until July 1, 1995, an additional tax is imposed on all beer  
9 subject to tax under subsection (1) of this section. The additional  
10 tax is equal to two dollars per barrel of thirty-one gallons. All  
11 revenues collected during any month from this additional tax shall be  
12 deposited in the drug enforcement and education account under RCW  
13 69.50.520 by the twenty-fifth day of the following month.

14 (4) An additional tax is imposed on beer that is subject to tax  
15 under subsection (1) of this section, at the rate of 17.05 cents per  
16 barrel of thirty-one gallons. All revenues collected during any month  
17 from this additional tax shall be deposited in the drug abuse  
18 resistance education fund established by section 1 of this act by the  
19 twenty-fifth day of the following month.

20 (5) The tax imposed under this section shall not apply to "strong  
21 beer" as defined in this title.

22 **Sec. 4.** RCW 82.08.150 and 1989 c 271 s 503 are each amended to  
23 read as follows:

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

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

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

11 (4) An additional tax is imposed equal to the rate specified in RCW  
12 82.02.030 multiplied by the taxes payable under subsections (1), (2),  
13 and (3) of this section.

14 (5) Until July 1, 1995, an additional tax is imposed upon each  
15 retail sale of spirits in the original package at the rate of seven  
16 cents per liter. The additional tax imposed in this subsection shall  
17 apply to all such sales including sales by Washington state liquor  
18 stores and agencies, and including sales to class H licensees. All  
19 revenues collected during any month from this additional tax shall be  
20 deposited in the drug enforcement and education account under RCW  
21 69.50.520 by the twenty-fifth day of the following month.

22 (6) An additional tax is imposed upon each retail sale of spirits  
23 in the original package at the rate of 7.2 cents per liter. The  
24 additional tax imposed in this subsection applies to all such sales  
25 including sales by Washington state liquor stores and agencies and  
26 sales to class H licensees. All revenues collected during any month  
27 from this additional tax shall be deposited in the drug abuse  
28 resistance education fund established by section 1 of this act by the  
29 twenty-fifth day of the following month.

1        ~~(7)~~ The tax imposed in RCW 82.08.020, as now or hereafter amended,  
2 shall not apply to sales of spirits or strong beer in the original  
3 package.

4        ~~((+7))~~ (8) The taxes imposed in this section shall be paid by the  
5 buyer to the seller, and each seller shall collect from the buyer the  
6 full amount of the tax payable in respect to each taxable sale under  
7 this section. The taxes required by this section to be collected by the  
8 seller shall be stated separately from the selling price and for  
9 purposes of determining the tax due from the buyer to the seller, it  
10 shall be conclusively presumed that the selling price quoted in any  
11 price list does not include the taxes imposed by this section.

12        ~~((+8))~~ (9) As used in this section, the terms, "spirits," "strong  
13 beer," and "package" shall have the meaning ascribed to them in chapter  
14 66.04 RCW.

15        NEW SECTION.    **Sec. 5.**    This act is necessary for the immediate  
16 preservation of the public peace, health, or safety, or support of the  
17 state government and its existing public institutions, and shall take  
18 effect July 1, 1991.