

2 SHB 2479 - S AMD - 000351

3 By Senator Prince

4 RULED BEYOND SCOPE AND OBJECT 3/4/94

5 On page 6, after line 4, insert the following:

6 "Sec. 5. RCW 82.04.470 and 1993 1st sp.s. c 25 s 701 are each
7 amended to read as follows:

8 (1) Unless a seller has taken from the buyer a resale certificate,
9 the burden of proving that a sale of tangible personal property, or of
10 services, was not a sale at retail shall be upon the person who made
11 it.

12 (2) If a seller does not receive a resale certificate at the time
13 of the sale, have a resale certificate on file at the time of the sale,
14 or obtain a resale certificate from the buyer within a reasonable time
15 after the sale, the seller shall remain liable for the tax as provided
16 in RCW 82.08.050, unless the seller can demonstrate facts and
17 circumstances according to rules adopted by the department of revenue
18 that show the sale was properly made without payment of sales tax.

19 (3) Resale certificates shall be valid for a period of four years
20 from the date the certificate is provided to the seller.

21 (4) The department may provide by rule for suggested forms for
22 resale certificates or equivalent documents containing the information
23 that will be accepted as resale certificates. The department shall
24 provide by rule the categories of items or services that must be
25 specified on resale certificates and the business classifications that
26 may use a blanket resale certificate.

27 (5) The department shall develop a form to meet the unique buying
28 conditions of the landlord-tenant relationship within the agricultural
29 industry. In no instance may a landlord farmer be held liable for any
30 tax liability under this section that may be due on the purchase and
31 use of products handled exclusively by a tenant farmer, nor may the
32 landlord farmer be required to sign a form that includes such language.
33 For purposes of this section, any tax liability shall be borne by the
34 tenant farmer making the purchases on behalf of the landlord farmer.

35 ((5))6 As used in this section, "resale certificate" means
36 documentation provided by a buyer to a seller stating that the purchase

1 is for resale in the regular course of business, or that the buyer is
2 exempt from retail sales tax, and containing the following information:

3 (a) The name and address of the buyer;

4 (b) The uniform business identifier or revenue registration number
5 of the buyer, if the buyer is required to [be] registered;

6 (c) The type of business engaged in;

7 (d) The categories of items or services to be purchased for resale
8 or that are exempt, unless the buyer is in a business classification
9 that may present a blanket resale certificate as provided by the
10 department by rule;

11 (e) The date on which the certificate was provided;

12 (f) A statement that the items or services purchased either: (i)
13 Are purchased for resale in the regular course of business; or (ii) are
14 exempt from tax pursuant to statute;

15 (g) A statement that the buyer acknowledges that the buyer is
16 solely responsible for purchasing within the categories specified on
17 the certificate and that misuse of the resale or exemption privilege
18 claimed on the certificate subjects the buyer to a penalty of fifty
19 percent of the tax due, in addition to the tax, interest, and any other
20 penalties imposed by law;

21 (h) The name of the individual authorized to sign the certificate,
22 printed in a legible fashion;

23 (i) The signature of the authorized individual; and

24 (j) The name of the seller."

25 Renumber the remaining sections consecutively

26 --- END ---

27 **EFFECT:** Clarifies current law by requiring the development of an
28 appropriate resale certificate for landlord-tenant farming
29 operations.