

HOUSE BILL REPORT

HB 1641

As Reported By House Committee On:
Revenue

Title: An act relating to the sale of pollination agents.

Brief Description: Excluding pollination agents from "sale at retail" and "retail sale" definition for business and occupation tax.

Sponsors: Representatives Chandler, Rayburn, Grant, Schoesler, Kremen, Foreman and Sheahan.

Brief History:

Reported by House Committee on:
Revenue, March 8, 1993, DPS.

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Cothorn; Leonard; Morris; Romero; Rust; Silver; Talcott; Thibaudeau; Van Luven; and Wang.

Staff: Rick Peterson (786-7150).

Background: Feed, seed, seedlings, and fertilizer are exempt from sales and use tax when sold to farmers.

Summary of Substitute Bill: Agents for enhanced pollination such as bees are also exempted from sales and use tax when sold to farmers.

Substitute Bill Compared to Original Bill: The substitute provides the exemption for enhanced pollination agents in the sales and use tax statutes. The original bill placed the exemption in the definition of retail sales in the business and occupation tax statutes.

Fiscal Note: Available. New fiscal note requested March 9, 1993.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: The cutter bee is the only insect that will pollinate alfalfa. The alfalfa industry needs this exemption in order to compete with Canada.

Testimony Against: None.

Witnesses: Representative Chandler, prime sponsor; Representative Grant; Les Clemons, Washington Seed Council; and Mark Triplett, Washington Agricultural Business Coalition (all in favor).