

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2440**

54th Legislature  
1996 Regular Session

Passed by the House February 6, 1996  
Yeas 96 Nays 0

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**Speaker of the  
House of Representatives**

Passed by the Senate February 27, 1996  
Yeas 46 Nays 0

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2440** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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HOUSE BILL 2440

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Passed Legislature - 1996 Regular Session

State of Washington                      54th Legislature                      1996 Regular Session

By Representatives Schoesler, Sheldon, Johnson, Brown, Honeyford, Grant, Sheahan, McMorris, Boldt, Quall, Morris, Chappell, Campbell, Hymes, Brumsickle, Mastin, Benton, Foreman, Lisk, Crouse, Smith, Thompson, Mulliken and Kessler

Read first time 01/10/96. Referred to Committee on Energy & Utilities.

1            AN ACT Relating to excise taxation of low-density light and power  
2 businesses; amending RCW 82.16.053; and providing an effective date.

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

4            **Sec. 1.** RCW 82.16.053 and 1994 c 236 s 1 are each amended to read  
5 as follows:

6            (1) In computing tax under this chapter, a light and power business  
7 may deduct from gross income the lesser of the amounts determined under  
8 subsections (2) through (4) of this section.

9            (2)(a) (~~Twenty-five~~) Fifty percent of wholesale power cost paid  
10 during the reporting period, if the light and power business has fewer  
11 than five and one-half customers per mile of line.

12            (b) (~~Twenty~~) Forty percent of wholesale power cost paid during  
13 the reporting period, if the light and power business has more than  
14 five and one-half but less than eleven customers per mile.

15            (c) (~~Fifteen~~) Thirty percent of the wholesale power cost paid  
16 during the reporting period, if the light and power business has more  
17 than eleven but less than seventeen customers per mile of line.

18            (d) Zero if the light and power business has more than seventeen  
19 customers per mile of line.

1           (3) Wholesale power cost multiplied by the percentage by which the  
2 average retail electric power rates for the light and power business  
3 exceed the state average electric power rate. If more than fifty  
4 percent of the kilowatt hours sold by a light and power business are  
5 sold to irrigators, then only sales to nonirrigators shall be used to  
6 calculate the average electric power rate for that light and power  
7 business. For purposes of this subsection, the department shall  
8 determine state average electric power rate each year based on the most  
9 recent available data and shall inform taxpayers of its determination.

10           (4) (~~Two~~) Four hundred thousand dollars per month.

11           NEW SECTION.   **Sec. 2.** This act shall take effect July 1, 1996.

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