
HOUSE BILL 2809

State of Washington 55th Legislature 1998 Regular Session

By Representatives Thompson, Morris, Mulliken, Carrell and Schoesler

Read first time 01/20/98. Referred to Committee on Finance.

1 AN ACT Relating to exempting printed sales messages and related
2 services from sales and use taxation; adding a new section to chapter
3 82.08 RCW; adding a new section to chapter 82.12 RCW; and providing an
4 effective date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW
7 to read as follows:

8 (1) Except as otherwise provided in this section, the tax levied by
9 RCW 82.08.020 does not apply to the sale of printed sales messages that
10 are:

11 (a) Printed to the special order of the purchaser;

12 (b) Mailed or delivered by seller, the seller's agent, or a mailing
13 house acting as the agent for the purchaser, through the United States
14 postal service or common carrier; and

15 (c) Received by any other person at no cost to that person who
16 becomes the owner of the printed material.

17 (2) The tax levied by RCW 82.08.020 does not apply to charges made
18 for mailing house and mailing list services used in conjunction with
19 common carrier delivery of printed sales messages.

1 (3) To receive a tax exemption under this section, the purchaser of
2 the printed sales message must:

3 (a) Provide the seller of the printed sales message and the mailing
4 house and mailing list services used in association with common carrier
5 delivery of the printed sales message with an exemption certificate in
6 a form and manner prescribed by the department by rule; and

7 (b) Provide the department with a duplicate of the certificate or
8 summary of exempt sales as the department may require.

9 (4) The seller shall retain a copy of the certificate for the
10 seller's files.

11 (5) For purposes of this section and chapter 82.12 RCW:

12 (a) "Any other person" means a person, other than the purchaser or
13 the purchaser's agent, who takes physical delivery of the printed sales
14 messages and who exercises dominion and control over the property;

15 (b) "Common carrier" means any person engaged in the business of
16 transporting property for hire or compensation and who offers his or
17 her services indiscriminately to the public or to some portion of the
18 public;

19 (c) "Cost" means any consideration given for the acquisition of
20 the property, whether directly or indirectly. Indirect costs include,
21 but are not limited to, subscription fees, franchise fees, or general
22 overhead billing;

23 (d) "Mailing house" means any person engaged in the business of
24 stamping, addressing, sealing, or otherwise preparing property for
25 mailing for compensation;

26 (e) "Mailing list service" means any person engaged in the business
27 of providing data in a format which is used to identify any person for
28 delivery of printed sales messages;

29 (f)(i) "Printed sales messages" means catalogs, letters, circulars,
30 brochures, and pamphlets printed for the principle purpose of
31 advertising or promoting goods or services. "Printed sales messages"
32 includes such items as: Department store catalogs and coupon books;
33 order forms or other printed matter if the property is stapled, glued,
34 or otherwise affixed to the printed sales message in such a manner that
35 it becomes a component or integral part of the printed sales message
36 and is sold together with the printed sales message; and containers,
37 such as envelopes or wrapping paper, if sold with the printed sales
38 message for shipment or delivery;

1 (ii) "Printed sales messages" does not include political campaign
2 literature, fund-raising solicitations, stationary, order forms except
3 as provided for in this section, sales invoices, containers for sample
4 merchandise, calendars, notepads, and cash register tapes, unless they
5 meet the principle purpose of advertising or promoting goods or
6 services; and

7 (g) "Printed to the special order" means designed and prepared
8 according to the specific request of the purchaser. The term also
9 applies to additional or supplemental orders, if the original order was
10 printed to the special order of the purchaser.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW
12 to read as follows:

13 (1) Except as otherwise provided in this section, the provisions of
14 this chapter do not apply in respect to the use of printed sales
15 messages that are:

16 (a) Printed to the special order of the purchaser;

17 (b) Mailed or delivered by the seller, the seller's agent, or a
18 mailing house acting as the agent for the purchaser, through the United
19 States postal service or common carrier; and

20 (c) Received by any other person at no cost to that person who
21 becomes the owner of the printed material.

22 (2) The provisions of this chapter do not apply in respect to the
23 use of mailing house and mailing list services used in conjunction with
24 common carrier delivery of printed sales messages.

25 (3) The provisions of this chapter do not apply to the user of the
26 printed sales message, but only if the user provides the department
27 with an annual summary listing by January 31 of the year following the
28 calendar year in which the printed sales messages and mailing house and
29 mailing list services provided in association with common carrier
30 delivery of the printed sales message are used.

31 NEW SECTION. **Sec. 3.** This act takes effect July 1, 1998.

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