
SENATE BILL 6707

State of Washington

55th Legislature

1998 Regular Session

By Senators Schow and Roach; by request of Department of Revenue

Read first time 01/28/98. Referred to Committee on Ways & Means.

1 AN ACT Relating to public utility tax on motor transportation
2 business; amending RCW 82.16.010 and 82.16.020; and providing an
3 effective date.

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

5 **Sec. 1.** RCW 82.16.010 and 1996 c 150 s 1 are each amended to read
6 as follows:

7 For the purposes of this chapter, unless otherwise required by the
8 context:

9 (1) "Railroad business" means the business of operating any
10 railroad, by whatever power operated, for public use in the conveyance
11 of persons or property for hire. It shall not, however, include any
12 business herein defined as an urban transportation business.

13 (2) "Express business" means the business of carrying property for
14 public hire on the line of any common carrier operated in this state,
15 when such common carrier is not owned or leased by the person engaging
16 in such business.

17 (3) "Railroad car business" means the business of operating stock
18 cars, furniture cars, refrigerator cars, fruit cars, poultry cars, tank
19 cars, sleeping cars, parlor cars, buffet cars, tourist cars, or any

1 other kinds of cars used for transportation of property or persons upon
2 the line of any railroad operated in this state when such railroad is
3 not owned or leased by the person engaging in such business.

4 (4) "Water distribution business" means the business of operating
5 a plant or system for the distribution of water for hire or sale.

6 (5) "Light and power business" means the business of operating a
7 plant or system for the generation, production or distribution of
8 electrical energy for hire or sale and/or for the wheeling of
9 electricity for others.

10 (6) "Telegraph business" means the business of affording
11 telegraphic communication for hire.

12 (7) "Gas distribution business" means the business of operating a
13 plant or system for the production or distribution for hire or sale of
14 gas, whether manufactured or natural.

15 (8) "~~(Motor)~~ Transportation business" means the business
16 ~~((except urban transportation business))~~ of operating any motor
17 propelled vehicle by which persons or property of others are conveyed
18 for hire, and includes, but is not limited to, the operation of any
19 motor propelled vehicle as an auto transportation company ~~((except~~
20 ~~urban transportation business))~~, common carrier or contract carrier as
21 defined by RCW 81.68.010 and 81.80.010: PROVIDED, That "~~(motor)~~
22 transportation business" shall not mean or include the transportation
23 of logs or other forest products exclusively upon private roads or
24 private highways.

25 ~~((9) "Urban))~~ "Transportation business" also means the business of
26 operating any vehicle for public use in the conveyance of persons or
27 property for hire ~~((, insofar as (a) operating entirely within the~~
28 ~~corporate limits of any city or town, or within five miles of the~~
29 ~~corporate limits thereof, or (b) operating entirely within and between~~
30 ~~cities and towns whose corporate limits are not more than five miles~~
31 ~~apart or within five miles of the corporate limits of either thereof))~~.
32 Included herein, but without limiting the scope hereof, is the business
33 of operating passenger vehicles of every type and also the business of
34 operating cartage, pickup, or delivery services, including in such
35 services the collection and distribution of property arriving from or
36 destined to a point within or without the state, whether or not such
37 collection or distribution be made by the person performing a local or
38 interstate line-haul of such property.

1 (~~(10)~~) (9) "Public service business" means any of the businesses
2 defined in (~~(subdivisions)~~) subsections (1), (2), (3), (4), (5), (6),
3 (7), and (8)(~~(, and (9))~~) of this section or any business subject to
4 control by the state, or having the powers of eminent domain and the
5 duties incident thereto, or any business hereafter declared by the
6 legislature to be of a public service nature, except telephone business
7 as defined in RCW 82.04.065 and low-level radioactive waste site
8 operating companies as redefined in RCW 81.04.010. It includes, among
9 others, without limiting the scope hereof: Airplane transportation,
10 boom, dock, ferry, pipe line, toll bridge, toll logging road, water
11 transportation and wharf businesses.

12 (~~(11)~~) (10) "Tugboat business" means the business of operating
13 tugboats, towboats, wharf boats, or similar vessels in the towing or
14 pushing of vessels, barges, or rafts for hire.

15 (~~(12)~~) (11) "Gross income" means the value proceeding or accruing
16 from the performance of the particular public service or transportation
17 business involved, including operations incidental thereto, but without
18 any deduction on account of the cost of the commodity furnished or
19 sold, the cost of materials used, labor costs, interest, discount,
20 delivery costs, taxes, or any other expense whatsoever paid or accrued
21 and without any deduction on account of losses.

22 (~~(13)~~) (12) The meaning attributed, in chapter 82.04 RCW, to the
23 term "tax year," "person," "value proceeding or accruing," "business,"
24 "engaging in business," "in this state," "within this state," "cash
25 discount" and "successor" shall apply equally in the provisions of this
26 chapter.

27 **Sec. 2.** RCW 82.16.020 and 1996 c 150 s 2 are each amended to read
28 as follows:

29 (1) There is levied and there shall be collected from every person
30 a tax for the act or privilege of engaging within this state in any one
31 or more of the businesses herein mentioned. The tax shall be equal to
32 the gross income of the business, multiplied by the rate set out after
33 the business, as follows:

34 (a) Express, sewerage collection, and telegraph businesses: Three
35 and six-tenths percent;

36 (b) Light and power business: Three and sixty-two one-hundredths
37 percent;

38 (c) Gas distribution business: Three and six-tenths percent;

1 (d) (~~Urban~~) Transportation (~~business~~), railroad, and railroad
2 car businesses: Six-tenths of one percent;

3 (e) Vessels under sixty-five feet in length, except tugboats,
4 operating upon the waters within the state: Six-tenths of one percent;

5 (f) (~~Motor transportation, railroad, railroad car, and~~) Tugboat
6 businesses(~~(7)~~) and all public service businesses other than ones
7 mentioned above: One and eight-tenths of one percent;

8 (g) Water distribution business: Four and seven-tenths percent.

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.

12 (3) Twenty percent of the moneys collected under subsection (1) of
13 this section on water distribution businesses and sixty percent of the
14 moneys collected under subsection (1) of this section on sewerage
15 collection businesses shall be deposited in the public works assistance
16 account created in RCW 43.155.050.

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

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