

5309-S

Sponsor(s): Senate Committee on Ways & Means (originally sponsored by Senators Morton and Anderson)

Brief Title: Providing excise tax exemptions related to horses.

SB 5309-S - DIGEST

(DIGEST AS PASSED LEGISLATURE)

Provides that chapter 82.04 RCW shall not apply to any person in respect to the business of boarding, breeding, or selling horses.

Provides that the tax levied by RCW 82.08.020 shall not apply to sales of feed for horses.

Provides that the provisions of chapter 82.12 RCW shall not apply in respect to the use of feed for horses.

VETO MESSAGE ON SB 5309-S

April 3, 1998

To the Honorable President and Members,
The Senate of the State of Washington
Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute Senate Bill No. 5309 entitled:

"AN ACT Relating to excise tax exemptions related to horses;"

Substitute Senate Bill No. 5309 would exempt the wholesale sale and retail sale of all horses, and the services of boarding and breeding of all horses from the business and occupation tax. The bill would also exempt all horse feed from the retail sales tax.

Today most horses are not owned by farmers or used for agricultural purposes; they are pets or hobbies. Horses used for agricultural purposes or raised as an agricultural product already receive tax breaks. The tax breaks that would be provided by SSB 5309 would mainly help those people in our state who are most able to pay the taxes. Nationally, more than 60 percent of horse owners have a median household income in excess of the median household income in Washington.

Many of the tax exemptions in SSB 5309 would represent a significant departure from current law, and would set a bad precedent. It would be difficult to justify not giving other pet owners similar tax breaks.

For these reasons, I have vetoed Substitute Senate Bill No. 5309 in its entirety.

Respectfully submitted,
Gary Locke
Governor