
SENATE BILL 5276

State of Washington

56th Legislature

1999 Regular Session

By Senators Fraser, West, Loveland, Hale, T. Sheldon, Honeyford and Winsley

Read first time 01/18/1999. Referred to Committee on Ways & Means.

1 AN ACT Relating to the meaning of gross income for a person engaged
2 in a travel service business and who also receives reimbursements for
3 administrative services provided to its foreign affiliates that also
4 engage in a travel service business; and amending RCW 82.04.080.

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

6 **Sec. 1.** RCW 82.04.080 and 1961 c 15 s 82.04.080 are each amended
7 to read as follows:

8 "Gross income of the business" means the value proceeding or
9 accruing by reason of the transaction of the business engaged in and
10 includes gross proceeds of sales, compensation for the rendition of
11 services, gains realized from trading in stocks, bonds, or other
12 evidences of indebtedness, interest, discount, rents, royalties, fees,
13 commissions, dividends, and other emoluments however designated, all
14 without any deduction on account of the cost of tangible property sold,
15 the cost of materials used, labor costs, interest, discount, delivery
16 costs, taxes, or any other expense whatsoever paid or accrued and
17 without any deduction on account of losses: PROVIDED HOWEVER, It shall
18 not mean amounts proceeding or accruing (1) under a written cost-
19 sharing agreement for allocable reimbursement of administrative

1 services incurred on behalf of a foreign affiliate that engages in a
2 travel service business and (2) by a person that engages a travel
3 service business and also holds a passenger vessel surety bond in
4 compliance with Subpart A of Part 540 of Title 48, Code of Federal
5 Regulations. "Affiliate" means a person who directly or indirectly
6 controls, or is controlled by, or is under common control with, a
7 person. "Foreign" means the affiliate is organized under laws outside
8 of the United States.

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