
SENATE BILL 6254

State of Washington

56th Legislature

2000 Regular Session

By Senators Rasmussen and Morton

Read first time . Referred to Committee on .

1 AN ACT Relating to taxation of natural or manufactured gas used for
2 growing agricultural crops, poultry, or livestock; and amending RCW
3 82.12.022 and 82.16.010.

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

5 **Sec. 1.** RCW 82.12.022 and 1994 c 124 s 9 are each amended to read
6 as follows:

7 (1) There is hereby levied and there shall be collected from every
8 person in this state a use tax for the privilege of using natural gas
9 or manufactured gas within this state as a consumer.

10 (2) The tax shall be levied and collected in an amount equal to the
11 value of the article used by the taxpayer multiplied by the rate in
12 effect for the public utility tax on gas distribution businesses under
13 RCW 82.16.020. The "value of the article used" does not include any
14 amounts that are paid for the hire or use of a gas distribution
15 business as defined in RCW 82.16.010(7) in transporting the gas subject
16 to tax under this subsection if those amounts are subject to tax under
17 that chapter.

18 (3) The tax levied in this section shall not apply to the use of
19 natural or manufactured gas delivered to the consumer by other means

1 than: (a) Through a pipeline; or (b) by truck to a farm for growing
2 agricultural crops, poultry, or livestock.

3 (4) The tax levied in this section shall not apply to the use of
4 natural or manufactured gas if the person who sold the gas to the
5 consumer has paid a tax under RCW 82.16.020 with respect to the gas for
6 which exemption is sought under this subsection.

7 (5) There shall be a credit against the tax levied under this
8 section in an amount equal to any tax paid by:

9 (a) The person who sold the gas to the consumer when that tax is a
10 gross receipts tax similar to that imposed pursuant to RCW 82.16.020 by
11 another state with respect to the gas for which a credit is sought
12 under this subsection; or

13 (b) The person consuming the gas upon which a use tax similar to
14 the tax imposed by this section was paid to another state with respect
15 to the gas for which a credit is sought under this subsection.

16 (6) The use tax hereby imposed shall be paid by the consumer to the
17 department.

18 (7) There is imposed a reporting requirement on the person who
19 delivered the gas to the consumer to make a quarterly report to the
20 department. Such report shall contain the volume of gas delivered,
21 name of the consumer to whom delivered, and such other information as
22 the department shall require by rule.

23 (8) The department may adopt rules under chapter 34.05 RCW for the
24 administration and enforcement of sections 1 through 6, chapter 384,
25 Laws of 1989.

26 **Sec. 2.** RCW 82.16.010 and 1996 c 150 s 1 are each amended to read
27 as follows:

28 For the purposes of this chapter, unless otherwise required by the
29 context:

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

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

1 (3) "Railroad car business" means the business of operating stock
2 cars, furniture cars, refrigerator cars, fruit cars, poultry cars, tank
3 cars, sleeping cars, parlor cars, buffet cars, tourist cars, or any
4 other kinds of cars used for transportation of property or persons upon
5 the line of any railroad operated in this state when such railroad is
6 not owned or leased by the person engaging in such business.

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

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

13 (6) "Telegraph business" means the business of affording
14 telegraphic communication for hire.

15 (7) "Gas distribution business" means the business of operating a
16 plant or system for the production or distribution for hire or sale of
17 gas through a pipeline to consumers or by truck to farms for growing
18 agricultural crops, poultry, or livestock, whether manufactured or
19 natural.

20 (8) "Motor transportation business" means the business (except
21 urban transportation business) of operating any motor propelled vehicle
22 by which persons or property of others are conveyed for hire, and
23 includes, but is not limited to, the operation of any motor propelled
24 vehicle as an auto transportation company (except urban transportation
25 business), common carrier or contract carrier as defined by RCW
26 81.68.010 and 81.80.010: PROVIDED, That "motor transportation
27 business" shall not mean or include the transportation of logs or other
28 forest products exclusively upon private roads or private highways.

29 (9) "Urban transportation business" means the business of operating
30 any vehicle for public use in the conveyance of persons or property for
31 hire, insofar as (a) operating entirely within the corporate limits of
32 any city or town, or within five miles of the corporate limits thereof,
33 or (b) operating entirely within and between cities and towns whose
34 corporate limits are not more than five miles apart or within five
35 miles of the corporate limits of either thereof. Included herein, but
36 without limiting the scope hereof, is the business of operating
37 passenger vehicles of every type and also the business of operating
38 cartage, pickup, or delivery services, including in such services the
39 collection and distribution of property arriving from or destined to a

1 point within or without the state, whether or not such collection or
2 distribution be made by the person performing a local or interstate
3 line-haul of such property.

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

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

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

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

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