

1385

Sponsor(s): Representatives Reardon and Pennington; by request of Department of Revenue

Brief Description: Clarifying the taxable situs and nature of linen and uniform supply services.

**HB 1385 - DIGEST**

(DIGEST AS ENACTED)

Finds that because of the mixed retailing nature of linen and uniform supply services, they have been incorrectly sited for tax purposes. As a result, some companies that perform some activities related to this activity outside the state of Washington have not been required to collect retail sales taxes upon linen and uniform supply services provided to Washington customers.

Finds that in-state businesses cannot compete if their out-of-state competitors are not required to collect sales tax for services provided to the same customers.

Provides that, for purposes of chapter 82.08 RCW, a retail sale of linen and uniform supply services is deemed to occur at the place of delivery to the customer.