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HOUSE BILL 1096

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State of Washington

58th Legislature

2003 Regular Session

By Representatives Berkey, Pearson, Morris, Kristiansen, Sullivan, Buck, Dunshee, Cooper, Lovick, Sehlin, Bailey, Kessler and Nixon

Read first time 01/16/2003. Referred to Committee on Finance.

1 AN ACT Relating to a business and occupation tax rate on certain  
2 FAR part 145 certificated repair stations; reenacting and amending RCW  
3 82.04.250; adding a new section to chapter 82.32 RCW; providing an  
4 effective date; and providing an expiration date.

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

6 **Sec. 1.** RCW 82.04.250 and 1998 c 343 s 5 and 1998 c 312 s 4 are  
7 each reenacted and amended to read as follows:

8 (1) Upon every person except persons taxable under RCW  
9 82.04.260(5), 82.04.272, or subsection (2) or (3) of this section  
10 engaging within this state in the business of making sales at retail,  
11 as to such persons, the amount of tax with respect to such business  
12 shall be equal to the gross proceeds of sales of the business,  
13 multiplied by the rate of 0.471 percent.

14 (2) Upon every person engaging within this state in the business of  
15 making sales at retail that are exempt from the tax imposed under  
16 chapter 82.08 RCW by reason of RCW 82.08.0261, 82.08.0262, or  
17 82.08.0263 except as provided in subsection (3) of this section, as to  
18 such persons, the amount of tax with respect to such business shall be

1 equal to the gross proceeds of sales of the business, multiplied by the  
2 rate of 0.484 percent.

3 (3) Upon every person engaging within this state in the business  
4 of making sales at retail that are exempt from the tax imposed under  
5 chapter 82.08 RCW by reason of RCW 82.08.0261, 82.08.0262, or  
6 82.08.0263, that are classified by the federal aviation administration  
7 as FAR part 145 certificated repair stations with an airframe class 4  
8 rating and limited capabilities in instruments, radio equipment, and  
9 specialized services, as to such persons, the amount of tax with  
10 respect to such business shall be equal to the gross proceeds of sales  
11 of the business, multiplied by the rate of .275 percent.

12 NEW SECTION. Sec. 2. A new section is added to chapter 82.32 RCW  
13 to read as follows:

14 (1) A recipient reporting under RCW 82.04.250(3) during a calendar  
15 year must file a report to the department of revenue as required by  
16 this section.

17 (2) The following information must be provided to the department:

18 (a) Name and address of recipient of business incentive;

19 (b) Business registration number;

20 (c) Identification of project/location of project;

21 (d) Signature and phone number of person filling out form;

22 (e) Date business incentive was provided;

23 (f) Dollar value of business incentive;

24 (g) Job creation/retention goals for business receiving the  
25 incentive (please specify);

26 (h) Average hourly wage goals for business receiving the incentive  
27 (per hour);

28 (i) Actual jobs created/retained since business received the  
29 incentive (please specify);

30 (j) Actual average hourly wage paid to employees hired since  
31 receiving the incentive;

32 (k) Goals of business incentive received, as a result of the  
33 business incentive: (Please indicate number of employees by category  
34 of job, e.g. full-time, part-time, or contingent/temporary job, number  
35 of employees per wage band, and indicate if employee benefits are  
36 provided);

1 (l) Actual performance since project placed in service, as a result  
2 of the business incentive: (Please indicate number of employees by  
3 category of job, e.g. full-time, part-time, or contingent/temporary  
4 job, number of employees per wage band, and indicate if employee  
5 benefits are provided);

6 (m) Last date actual wage and job creation/retention levels  
7 documented;

8 (n) Have all wage and job goals been achieved?

9 [ ] Yes - do not submit future forms for this project.

10 [ ] No - please submit another form next year;

11 (o) Did you take the machinery and equipment exemption in the last  
12 year, and if the answer is "yes" please estimate the amount of tax  
13 exempted; and

14 (p) Date this disclosure form completed.

15 (3) A recipient who fails to submit a complete report under this  
16 section is ineligible on a prospective basis for the rate provided in  
17 RCW 82.04.250(3). The department of revenue shall notify the recipient  
18 in writing by mail that he or she is no longer eligible for the rate.  
19 The recipient is ineligible on the effective date of the postmark of  
20 the notice letter from the department of revenue. If the recipient  
21 satisfactorily completes the form, the department of revenue shall send  
22 a letter to the recipient indicating that the basis for the  
23 ineligibility has been corrected. The letter from the department of  
24 revenue is proof that eligibility on this basis has been restored, and  
25 is effective prospectively on the date the letter is postmarked.

26 NEW SECTION. **Sec. 3.** This act expires June 30, 2006.

27 NEW SECTION. **Sec. 4.** This act takes effect August 1, 2003.

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