
SUBSTITUTE HOUSE BILL 2929

State of Washington 58th Legislature 2004 Regular Session

By House Committee on Finance (originally sponsored by Representatives Schoesler, Grant, Chandler, Linville, Delvin, Cairnes, Sump, Mastin, Newhouse, Morris, Holmquist, Ericksen, McDonald, Clements, Conway, Condotta, Hinkle, Skinner, Armstrong, Kristiansen, Hatfield, Kirby, Sullivan, Pearson, Shabro and Hankins)

READ FIRST TIME 02/10/04.

1 AN ACT Relating to suspending business and occupation taxation on
2 certain businesses impacted by the ban on American beef products;
3 adding a new section to chapter 82.04 RCW; creating a new section; and
4 declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the recent
7 occurrence of bovine spongiform encephalopathy and the resulting bans
8 on beef imports from the United States have had a severe economic
9 impact on the state's beef processing industry. The legislature
10 intends to provide temporary business and occupation tax relief for
11 Washington's beef processors.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04 RCW
13 to read as follows:

14 (1) In computing tax there may be deducted from the measure of tax
15 a portion of the following amounts received for:

16 (a) Slaughtering cattle, but only if the taxpayer sells the
17 resulting slaughtered cattle at wholesale and not at retail;

1 (b) Breaking or processing perishable beef products, but only if
2 the perishable beef products are derived from cattle slaughtered by the
3 taxpayer and sold at wholesale only and not at retail;

4 (c) Wholesale sales of perishable beef products derived from cattle
5 slaughtered by the taxpayer;

6 (d) Processing nonperishable beef products, but only if the
7 products are derived from cattle slaughtered by the taxpayer and sold
8 at wholesale only and not at retail; and

9 (e) Wholesale sales of nonperishable beef products derived from
10 cattle slaughtered by the taxpayer.

11 (2) The portion of the amounts under subsection (1) of this section
12 that are deductible is calculated by multiplying those amounts by a
13 fraction. The numerator of the fraction is the taxable proceeds
14 received by the taxpayer from the sale of beef products subject to tax
15 under RCW 82.04.260(4) that were exported from the United States during
16 the period December 1, 2002, through November 30, 2003. The
17 denominator of the fraction is the total taxable proceeds received by
18 the taxpayer from the sale of beef products subject to tax under RCW
19 82.04.260(4) during the same period.

20 (3) For the purposes of this section, "beef products" means the
21 carcass, parts of carcass, meat, and meat by-products, derived
22 exclusively from cattle and containing no other ingredients.

23 (4) The deduction allowed under this section is allowed only for
24 tax liability incurred after the effective date of this section and
25 until the first day of the month following the date on which the bans
26 on the importation of beef and beef products from the United States of
27 America by Japan, Mexico, and the Republic of South Korea have all been
28 lifted.

29 (5) The department must provide notice, on the department's web
30 site, of the date on which this deduction is no longer available. The
31 notice required by this section does not affect the availability of the
32 deduction under this section.

33 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
34 preservation of the public peace, health, or safety, or support of the
35 state government and its existing public institutions, and takes effect

1 immediately.

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