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HOUSE BILL 3003

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State of Washington                      58th Legislature                      2004 Regular Session

By Representatives Boldt, Ahern, Mielke and Orcutt

Read first time 01/26/2004. Referred to Committee on Finance.

1            AN ACT Relating to the payment of excise taxes; and amending RCW  
2 82.32.045, 82.23B.020, and 82.27.060.

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

4            **Sec. 1.** RCW 82.32.045 and 2003 1st sp.s. c 13 s 8 are each amended  
5 to read as follows:

6            (1) Except as otherwise provided in this chapter, payments of the  
7 taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and 82.16 RCW,  
8 along with reports and returns on forms prescribed by the department,  
9 are due monthly within (~~twenty~~) twenty-five days after the end of the  
10 month in which the taxable activities occur.

11            (2) The department of revenue may relieve any taxpayer or class of  
12 taxpayers from the obligation of remitting monthly and may require the  
13 return to cover other longer reporting periods, but in no event may  
14 returns be filed for a period greater than one year. For these  
15 taxpayers, tax payments are due on or before the last day of the month  
16 next succeeding the end of the period covered by the return.

17            (3) The department of revenue may also require verified annual  
18 returns from any taxpayer, setting forth such additional information as  
19 it may deem necessary to correctly determine tax liability.

1 (4) Notwithstanding subsections (1) and (2) of this section, the  
2 department may relieve any person of the requirement to file returns if  
3 the following conditions are met:

4 (a) The person's value of products, gross proceeds of sales, or  
5 gross income of the business, from all business activities taxable  
6 under chapter 82.04 RCW, is less than twenty-eight thousand dollars per  
7 year;

8 (b) The person's gross income of the business from all activities  
9 taxable under chapter 82.16 RCW is less than twenty-four thousand  
10 dollars per year; and

11 (c) The person is not required to collect or pay to the department  
12 of revenue any other tax or fee which the department is authorized to  
13 collect.

14 **Sec. 2.** RCW 82.23B.020 and 2003 1st sp.s. c 13 s 9 are each  
15 amended to read as follows:

16 (1) An oil spill response tax is imposed on the privilege of  
17 receiving crude oil or petroleum products at a marine terminal within  
18 this state from a waterborne vessel or barge operating on the navigable  
19 waters of this state. The tax imposed in this section is levied upon  
20 the owner of the crude oil or petroleum products immediately after  
21 receipt of the same into the storage tanks of a marine terminal from a  
22 waterborne vessel or barge at the rate of one cent per barrel of crude  
23 oil or petroleum product received.

24 (2) In addition to the tax imposed in subsection (1) of this  
25 section, an oil spill administration tax is imposed on the privilege of  
26 receiving crude oil or petroleum products at a marine terminal within  
27 this state from a waterborne vessel or barge operating on the navigable  
28 waters of this state. The tax imposed in this section is levied upon  
29 the owner of the crude oil or petroleum products immediately after  
30 receipt of the same into the storage tanks of a marine terminal from a  
31 waterborne vessel or barge at the rate of four cents per barrel of  
32 crude oil or petroleum product.

33 (3) The taxes imposed by this chapter shall be collected by the  
34 marine terminal operator from the taxpayer. If any person charged with  
35 collecting the taxes fails to bill the taxpayer for the taxes, or in  
36 the alternative has not notified the taxpayer in writing of the  
37 imposition of the taxes, or having collected the taxes, fails to pay

1 them to the department in the manner prescribed by this chapter,  
2 whether such failure is the result of the person's own acts or the  
3 result of acts or conditions beyond the person's control, he or she  
4 shall, nevertheless, be personally liable to the state for the amount  
5 of the taxes. Payment of the taxes by the owner to a marine terminal  
6 operator shall relieve the owner from further liability for the taxes.

7 (4) Taxes collected under this chapter shall be held in trust until  
8 paid to the department. Any person collecting the taxes who  
9 appropriates or converts the taxes collected shall be guilty of a gross  
10 misdemeanor if the money required to be collected is not available for  
11 payment on the date payment is due. The taxes required by this chapter  
12 to be collected shall be stated separately from other charges made by  
13 the marine terminal operator in any invoice or other statement of  
14 account provided to the taxpayer.

15 (5) If a taxpayer fails to pay the taxes imposed by this chapter to  
16 the person charged with collection of the taxes and the person charged  
17 with collection fails to pay the taxes to the department, the  
18 department may, in its discretion, proceed directly against the  
19 taxpayer for collection of the taxes.

20 (6) The taxes shall be due from the marine terminal operator, along  
21 with reports and returns on forms prescribed by the department, within  
22 (~~twenty~~) twenty-five days after the end of the month in which the  
23 taxable activity occurs.

24 (7) The amount of taxes, until paid by the taxpayer to the marine  
25 terminal operator or to the department, shall constitute a debt from  
26 the taxpayer to the marine terminal operator. Any person required to  
27 collect the taxes under this chapter who, with intent to violate the  
28 provisions of this chapter, fails or refuses to do so as required and  
29 any taxpayer who refuses to pay any taxes due under this chapter, shall  
30 be guilty of a misdemeanor as provided in chapter 9A.20 RCW.

31 (8) Upon prior approval of the department, the taxpayer may pay the  
32 taxes imposed by this chapter directly to the department. The  
33 department shall give its approval for direct payment under this  
34 section whenever it appears, in the department's judgment, that direct  
35 payment will enhance the administration of the taxes imposed under this  
36 chapter. The department shall provide by rule for the issuance of a  
37 direct payment certificate to any taxpayer qualifying for direct  
38 payment of the taxes. Good faith acceptance of a direct payment

1 certificate by a terminal operator shall relieve the marine terminal  
2 operator from any liability for the collection or payment of the taxes  
3 imposed under this chapter.

4 (9) All receipts from the tax imposed in subsection (1) of this  
5 section shall be deposited into the state oil spill response account.  
6 All receipts from the tax imposed in subsection (2) of this section  
7 shall be deposited into the oil spill prevention account.

8 (10) Within forty-five days after the end of each calendar quarter,  
9 the office of financial management shall determine the balance of the  
10 oil spill response account as of the last day of that calendar quarter.  
11 Balance determinations by the office of financial management under this  
12 section are final and shall not be used to challenge the validity of  
13 any tax imposed under this chapter. The office of financial management  
14 shall promptly notify the departments of revenue and ecology of the  
15 account balance once a determination is made. For each subsequent  
16 calendar quarter, the tax imposed by subsection (1) of this section  
17 shall be imposed during the entire calendar quarter unless:

18 (a) Tax was imposed under subsection (1) of this section during the  
19 immediately preceding calendar quarter, and the most recent quarterly  
20 balance is more than nine million dollars; or

21 (b) Tax was not imposed under subsection (1) of this section during  
22 the immediately preceding calendar quarter, and the most recent  
23 quarterly balance is more than eight million dollars.

24 **Sec. 3.** RCW 82.27.060 and 2003 1st sp.s. c 13 s 10 are each  
25 amended to read as follows:

26 The taxes levied by this chapter shall be due for payment monthly  
27 and remittance therefor shall be made within (~~twenty~~) twenty-five  
28 days after the end of the month in which the taxable activity occurs.  
29 The taxpayer on or before the due date shall make out a signed return,  
30 setting out such information as the department of revenue may require,  
31 including the gross measure of the tax, any deductions, credits, or  
32 exemptions claimed, and the amount of tax due for the preceding monthly  
33 period, which amount shall be transmitted to the department along with  
34 the return.

35 The department may relieve any taxpayer from the obligation of  
36 filing a monthly return and may require the return to cover other  
37 periods, but in no event may periodic returns be filed for a period

1 greater than one year. In such cases tax payments are due on or before  
2 the last day of the month next succeeding the end of the period covered  
3 by the return.

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