
SENATE BILL 6051

State of Washington 58th Legislature 2003 Regular Session

By Senators Kohl-Welles, Winsley, Fairley, Poulsen and Kline

Read first time 03/20/2003. Referred to Committee on Ways & Means.

1 AN ACT Relating to the payment of excise taxes; amending RCW
2 82.32.045, 82.18.040, 82.23B.020, and 82.27.060; and providing an
3 effective date.

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

5 **Sec. 1.** RCW 82.32.045 and 1999 c 357 s 1 are each amended to read
6 as follows:

7 (1) Except as otherwise provided in this chapter, payments of the
8 taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and 82.16 RCW,
9 along with reports and returns on forms prescribed by the department,
10 are due monthly within fifteen days after the end of the month in which
11 the taxable activities occur for businesses with a total tax due of two
12 hundred forty thousand dollars in a calendar year and twenty-five days
13 after the end of the month in which the taxable activities occur for
14 all other businesses.

15 (2) The department of revenue may relieve any taxpayer or class of
16 taxpayers from the obligation of remitting monthly and may require the
17 return to cover other longer reporting periods, but in no event may
18 returns be filed for a period greater than one year. For these

1 taxpayers, tax payments are due on or before the last day of the month
2 next succeeding the end of the period covered by the return.

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

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

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

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

16 (c) The person is not required to collect or pay to the department
17 of revenue any other tax or fee which the department is authorized to
18 collect.

19 **Sec. 2.** RCW 82.18.040 and 2000 c 103 s 11 are each amended to read
20 as follows:

21 Taxes collected under this chapter shall be held in trust until
22 paid to the state. Taxes received by the state shall be deposited in
23 the public works assistance account created in RCW 43.155.050. Any
24 person collecting the tax who appropriates or converts the tax
25 collected shall be guilty of a gross misdemeanor if the money required
26 to be collected is not available for payment on the date payment is
27 due. If a taxpayer fails to pay the tax imposed by this chapter to the
28 person charged with collection of the tax and the person charged with
29 collection fails to pay the tax to the department, the department may,
30 in its discretion, proceed directly against the taxpayer for collection
31 of the tax.

32 The tax shall be due from the taxpayer within twenty-five days from
33 the date the taxpayer is billed by the person collecting the tax or
34 such earlier date as may be provided for the taxpayer under RCW
35 82.32.045.

36 The tax shall be due from the person collecting the tax at the end
37 of the tax period in which the tax is received from the taxpayer. If

1 the taxpayer remits only a portion of the total amount billed for
2 taxes, consideration, and related charges, the amount remitted shall be
3 applied first to payment of the solid waste collection tax and this tax
4 shall have priority over all other claims to the amount remitted.

5 **Sec. 3.** RCW 82.23B.020 and 2000 c 69 s 25 are each amended to read
6 as follows:

7 (1) An oil spill response tax is imposed on the privilege of
8 receiving crude oil or petroleum products at a marine terminal within
9 this state from a waterborne vessel or barge operating on the navigable
10 waters of this state. The tax imposed in this section is levied upon
11 the owner of the crude oil or petroleum products immediately after
12 receipt of the same into the storage tanks of a marine terminal from a
13 waterborne vessel or barge at the rate of one cent per barrel of crude
14 oil or petroleum product received.

15 (2) In addition to the tax imposed in subsection (1) of this
16 section, an oil spill administration 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 four cents per barrel of
23 crude oil or petroleum product.

24 (3) The taxes imposed by this chapter shall be collected by the
25 marine terminal operator from the taxpayer. If any person charged with
26 collecting the taxes fails to bill the taxpayer for the taxes, or in
27 the alternative has not notified the taxpayer in writing of the
28 imposition of the taxes, or having collected the taxes, fails to pay
29 them to the department in the manner prescribed by this chapter,
30 whether such failure is the result of the person's own acts or the
31 result of acts or conditions beyond the person's control, he or she
32 shall, nevertheless, be personally liable to the state for the amount
33 of the taxes. Payment of the taxes by the owner to a marine terminal
34 operator shall relieve the owner from further liability for the taxes.

35 (4) Taxes collected under this chapter shall be held in trust until
36 paid to the department. Any person collecting the taxes who
37 appropriates or converts the taxes collected shall be guilty of a gross

1 misdemeanor if the money required to be collected is not available for
2 payment on the date payment is due. The taxes required by this chapter
3 to be collected shall be stated separately from other charges made by
4 the marine terminal operator in any invoice or other statement of
5 account provided to the taxpayer.

6 (5) If a taxpayer fails to pay the taxes imposed by this chapter to
7 the person charged with collection of the taxes and the person charged
8 with collection fails to pay the taxes to the department, the
9 department may, in its discretion, proceed directly against the
10 taxpayer for collection of the taxes.

11 (6) The taxes shall be due from the marine terminal operator, along
12 with reports and returns on forms prescribed by the department, within
13 twenty-five days after the end of the month in which the taxable
14 activity occurs or such earlier date as may be provided for the
15 taxpayer under RCW 82.32.045.

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

23 (8) Upon prior approval of the department, the taxpayer may pay the
24 taxes imposed by this chapter directly to the department. The
25 department shall give its approval for direct payment under this
26 section whenever it appears, in the department's judgment, that direct
27 payment will enhance the administration of the taxes imposed under this
28 chapter. The department shall provide by rule for the issuance of a
29 direct payment certificate to any taxpayer qualifying for direct
30 payment of the taxes. Good faith acceptance of a direct payment
31 certificate by a terminal operator shall relieve the marine terminal
32 operator from any liability for the collection or payment of the taxes
33 imposed under this chapter.

34 (9) All receipts from the tax imposed in subsection (1) of this
35 section shall be deposited into the state oil spill response account.
36 All receipts from the tax imposed in subsection (2) of this section
37 shall be deposited into the oil spill prevention account.

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

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

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

17 **Sec. 4.** RCW 82.27.060 and 1990 c 214 s 1 are each amended to read
18 as follows:

19 The taxes levied by this chapter shall be due for payment monthly
20 and remittance therefor shall be made within twenty-five days after the
21 end of the month in which the taxable activity occurs or such earlier
22 date as may be provided for the taxpayer under RCW 82.32.045. The
23 taxpayer on or before the due date shall make out a signed return,
24 setting out such information as the department of revenue may require,
25 including the gross measure of the tax, any deductions, credits, or
26 exemptions claimed, and the amount of tax due for the preceding monthly
27 period, which amount shall be transmitted to the department along with
28 the return.

29 The department may relieve any taxpayer from the obligation of
30 filing a monthly return and may require the return to cover other
31 periods, but in no event may periodic returns be filed for a period
32 greater than one year. In such cases tax payments are due on or before
33 the last day of the month next succeeding the end of the period covered
34 by the return.

1 NEW SECTION. **Sec. 5.** This act takes effect August 1, 2003.

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