

2929-S

Sponsor(s): 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)

Brief Description: Suspending business and occupation taxation on certain businesses impacted by the ban on American beef products. Revised for 1st Substitute: Providing temporary tax relief for Washington beef processors.

HB 2929-S - DIGEST

(DIGEST AS ENACTED)

Finds that the recent occurrence of bovine spongiform encephalopathy and the resulting bans on beef imports from the United States have had a severe economic impact on the state's beef processing industry. The legislature intends to provide temporary business and occupation tax relief for Washington's beef processors.

Provides that in computing tax there may be deducted from the measure of tax a portion of the following amounts received for:

- (1) Slaughtering cattle, but only if the taxpayer sells the resulting slaughtered cattle at wholesale and not at retail;

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

- (3) Wholesale sales of perishable beef products derived from cattle slaughtered by the taxpayer;

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

- (5) Wholesale sales of nonperishable beef products derived from cattle slaughtered by the taxpayer.

Declares that the deduction allowed under this act is allowed only for tax liability incurred after the effective date of this act and until the first day of the month following the date on which the bans on the importation of beef and beef products from the United States of America by Japan, Mexico, and the Republic of South Korea have all been lifted.

Requires the department to provide notice, on the department's web site, of the date on which this deduction is no longer available. The notice required by this act does not affect the availability of the deduction under this act.