

# SENATE BILL REPORT

## SHB 2033

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As Reported By Senate Committee On:  
Government Operations & Elections, February 16, 2006

**Title:** An act relating to the allocation of printing and publishing income for municipal business and occupation taxes.

**Brief Description:** Modifying the allocation of printing and publishing income for municipal business and occupation taxes.

**Sponsors:** House Committee on Finance (originally sponsored by Representatives McIntire, Orcutt, Conway, Hunter, Chase and Santos).

**Brief History:** Passed House: 2/11/06, 95-0.

**Committee Activity:** Government Operations & Elections: 2/16/06 [DP].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

**Majority Report:** Do pass.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Roach, Ranking Minority Member; Benton, Fairley, Haugen, Kline, McCaslin and Pridemore.

**Staff:** Genevieve Pisarski (786-7488)

**Background:** 2003 EHB 2030 made two significant changes to the way in which cities can impose business and occupation (B&O) taxes. One change required the cities that impose a B&O tax to agree on and adopt a model ordinance, so that all the cities would have the same B&O tax regulations, definitions, and penalties. The other change goes into effect in 2008 and establishes a methodology for calculating how much B&O tax a city can impose, based on apportioning business income according to the location of various activities.

**Summary of Bill:** Notwithstanding the methodology that goes into effect in 2008 for apportioning business income according to the location of various activities, the gross income of printing and publishing businesses will be allocated to the principal place in the state from which the business is directed or managed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** The bill takes effect on January 1, 2008.

**Testimony For:** None.

**Testimony Against:** None.

**Who Testified:** No one.