

**SB 5673-S - DIGEST**

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides that, if the department finds that the failure of a taxpayer to file an annual survey under RCW 82.04.4452 by the due date was the result of circumstances beyond the control of the taxpayer, the department shall extend the time for filing the survey. Such extension shall be for a period of thirty days from the date the department issues its written notification to the taxpayer that it qualifies for an extension under this section. The department may grant additional extensions as it deems proper.

Provides that, in making a determination whether the failure of a taxpayer to file an annual survey by the due date was the result of circumstances beyond the control of the taxpayer, the department shall be guided by WAC 458-20-228 relating to the waiver or cancellation of penalties when the underpayment or untimely payment of any tax was due to circumstances beyond the control of the taxpayer.

Declares that persons required to file surveys under RCW 82.04.4452 must electronically file with the department all surveys, returns, and any other forms or information the department requires in an electronic format as provided or approved by the department, unless the department grants relief under this act.

Provides that, upon request, the department may relieve a person of the obligations in this act if the person's taxes have been reduced a cumulative total of less than one thousand dollars from all of the credits, exemptions, or preferential business and occupation tax rates, for which a person is required to file an annual survey under RCW 82.04.4452, 82.04.4483, 82.04.4484, 82.32.535, 82.32.545, 82.32.570, 82.32.560, 82.60.070, 82.62.050, or 82.63.020.

Provides that a person who owes additional tax as a result of section 3(9)(a), chapter ..., Laws of 2005 (section 3(9)(a) of this act) is liable for interest, but not penalties as provided in RCW 82.32.090 (1) and (2), if the entire additional tax liability is paid in full to the department of revenue before January 1, 2006. Interest shall be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, retroactively to the date the credit was claimed, and shall accrue until the additional tax is repaid.

Declares that persons who fail to repay the full amount of additional tax owed as a result of section 3(9)(a), chapter ..., Laws of 2005 (section 3(9)(a) of this act) before January 1, 2006, are subject to all applicable penalties and interest as provided in chapter 82.32 RCW on the additional tax owing after December 31, 2005.

Expires December 31, 2010.