
Finance Committee

HB 1549

Brief Description: Exempting wholesale sales of bulk unprocessed milk from the business and occupation tax.

Sponsors: Representatives Linville, Kristiansen, Ericksen, McCune and Dunn.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Exempts wholesale sales of unprocessed milk from the state business and occupation tax.

Hearing Date: 3/5/07

Staff: Rick Peterson (786-7150).

Background:

Washington's major business tax is the business and occupation (B&O) tax. The B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. Revenues are deposited in the State General Fund. A business may have more than one B&O tax rate, depending on the types of activities conducted. There are a number of different rates. The main rates are: 0.471 percent for retailing; 0.484 percent for manufacturing, wholesaling, and extracting; and 1.5 percent for professional and personal services, and activities not classified elsewhere.

Summary of Bill:

Wholesale sales of unprocessed milk are exempted from the state B&O tax.

Appropriation: None.

Fiscal Note: Requested on March 5, 2007.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

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