

**HB 1357 - H AMD 391**

By Representative Alexander

WITHDRAWN 03/07/2011

1 Beginning on page 1, line 7, strike all of section 1 and insert the  
2 following:

3 "Sec. 1. RCW 82.32.080 and 2010 c 111 s 304 and 2010 c 106 s 226  
4 are each reenacted and amended to read as follows:

5 (1) When authorized by the department, payment of the tax may be  
6 made by uncertified check under such rules as the department  
7 prescribes, but, if a check so received is not paid by the bank on  
8 which it is drawn, the taxpayer, by whom such check is tendered, will  
9 remain liable for payment of the tax and for all legal penalties, the  
10 same as if such check had not been tendered.

11 (2)(a) Except as otherwise provided in this subsection, payment of  
12 the tax must be made by electronic funds transfer, as defined in RCW  
13 82.32.085, if the taxpayer is required to file and remit its taxes on  
14 a monthly or quarterly basis. As an alternative to electronic funds  
15 transfer, the department may authorize other forms of electronic  
16 payment, such as payment by credit card (~~and e-check~~). All taxes  
17 administered by this chapter are subject to this requirement, except  
18 (~~the taxes authorized by chapters 82.14A, 82.14B, 82.24, 82.29A, and~~  
19 ~~84.33 RCW. It is the intent of this subsection to require electronic~~  
20 ~~payment for those taxes reported on the department's combined excise~~  
21 ~~tax return or any successor return. The mandatory electronic payment~~  
22 ~~requirement in this subsection also applies to taxpayers who: (i) Are~~  
23 ~~subject to the tax imposed in RCW 82.04.257 but for whom the department~~  
24 ~~has authorized a tax reporting frequency that is less frequent than~~  
25 ~~monthly; or (ii) meet the threshold for filing and remitting taxes on~~  
26 ~~a monthly basis as established by rule of the department but for whom~~  
27 ~~the department has authorized a less frequent reporting frequency, when~~  
28 ~~such authorization became effective on or after July 26, 2009)) that  
29 the department may exclude any taxes not reported on the combined~~

1 excise tax return or any successor return from the electronic payment  
2 requirement in this subsection.

3 (b) The department, for good cause, may waive the electronic  
4 payment requirement in this subsection for any taxpayer. In the  
5 discretion of the department, a waiver under this subsection may be  
6 made temporary or permanent, and may be made on the department's own  
7 motion.

8 (c) The department is authorized to accept payment of taxes by  
9 electronic funds transfer or other acceptable forms of electronic  
10 payment from taxpayers that are not subject to the mandatory electronic  
11 payment requirements in this subsection.

12 (3)(a) Except as otherwise provided in this subsection, returns  
13 must be filed electronically using the department's online tax filing  
14 service or other method of electronic reporting as the department may  
15 authorize, if the taxpayer is required to file and remit its taxes on  
16 a monthly or quarterly basis. (~~The mandatory electronic filing~~  
17 ~~requirement in this subsection also applies to taxpayers who: (i) Are~~  
18 ~~subject to the tax imposed in RCW 82.04.257 but for whom the department~~  
19 ~~has authorized a tax reporting frequency that is less frequent than~~  
20 ~~monthly; or (ii) meet the threshold for filing and remitting taxes on~~  
21 ~~a monthly basis as established by rule of the department but for whom~~  
22 ~~the department has authorized a less frequent reporting frequency, when~~  
23 ~~such authorization became effective on or after July 26, 2009.))~~

24 (b) The department, for good cause, may waive the electronic filing  
25 requirement in this subsection for any taxpayer. In the discretion of  
26 the department, a waiver under this subsection may be made temporary or  
27 permanent, and may be made on the department's own motion.

28 (c) The department is authorized to allow electronic filing of  
29 returns from taxpayers that are not subject to the mandatory electronic  
30 filing requirements in this subsection.

31 (4)(a)(i) The department, for good cause shown, may extend the time  
32 for making and filing any return, and may grant such reasonable  
33 additional time within which to make and file returns as it may deem  
34 proper, but any permanent extension granting the taxpayer a reporting  
35 date without penalty more than ten days beyond the due date, and any  
36 extension in excess of thirty days must be conditional on deposit with  
37 the department of an amount to be determined by the department which is  
38 approximately equal to the estimated tax liability for the reporting

1 period or periods for which the extension is granted. In the case of  
2 a permanent extension or a temporary extension of more than thirty days  
3 the deposit must be deposited within the state treasury with other tax  
4 funds and a credit recorded to the taxpayer's account which may be  
5 applied to taxpayer's liability upon cancellation of the permanent  
6 extension or upon reporting of the tax liability where an extension of  
7 more than thirty days has been granted.

8 (ii) The department must review the requirement for deposit at  
9 least annually and may require a change in the amount of the deposit  
10 required when it believes that such amount does not approximate the tax  
11 liability for the reporting period or periods for which the extension  
12 is granted.

13 (b) During a state of emergency declared under RCW 43.06.010(12),  
14 the department, on its own motion or at the request of any taxpayer  
15 affected by the emergency, may extend the time for making or filing any  
16 return as the department deems proper. The department may not require  
17 any deposit as a condition for granting an extension under this  
18 subsection (4)(b).

19 (5) The department must keep full and accurate records of all funds  
20 received and disbursed by it. Subject to the provisions of RCW  
21 82.32.105 and 82.32.350, the department must apply the payment of the  
22 taxpayer first against penalties and interest, and then upon the tax,  
23 without regard to any direction of the taxpayer.

24 (6) The department may refuse to accept any return that is not  
25 accompanied by a remittance of the tax shown to be due thereon or that  
26 is not filed electronically as required in this section. When such  
27 return is not accepted, the taxpayer is deemed to have failed or  
28 refused to file a return and is subject to the procedures provided in  
29 RCW 82.32.100 and to the penalties provided in RCW 82.32.090. The  
30 above authority to refuse to accept a return may not apply when a  
31 return is timely filed electronically and a timely payment has been  
32 made by electronic funds transfer or other form of electronic payment  
33 as authorized by the department.

34 (7) Except for returns and remittances required to be transmitted  
35 to the department electronically under this section and except as  
36 otherwise provided in this chapter, a return or remittance that is  
37 transmitted to the department by United States mail is deemed filed or  
38 received on the date shown by the post office cancellation mark stamped

1 upon the envelope containing it. A return or remittance that is  
2 transmitted to the department electronically is deemed filed or  
3 received according to procedures set forth by the department.

4 (8)(a) For purposes of subsections (2) and (3) of this section,  
5 "good cause" means the inability of a taxpayer to comply with the  
6 requirements of subsection (2) or (3) of this section because:

7 (i) The taxpayer does not have the equipment or software necessary  
8 to enable the taxpayer to comply with subsection (2) or (3) of this  
9 section;

10 (ii) The equipment or software necessary to enable the taxpayer to  
11 comply with subsection (2) or (3) of this section is not functioning  
12 properly;

13 (iii) The taxpayer does not have access to the internet using the  
14 taxpayer's own equipment;

15 (iv) The taxpayer does not have a bank account or a credit card;

16 (v) The taxpayer's bank is unable to send or receive electronic  
17 funds transfer transactions; or

18 (vi) Some other circumstance or condition exists that, in the  
19 department's judgment, prevents the taxpayer from complying with the  
20 requirements of subsection (2) or (3) of this section.

21 (b) "Good cause" also includes any circumstance that, in the  
22 department's judgment, supports the efficient or effective  
23 administration of the tax laws of this state, including providing  
24 relief from the requirements of subsection (2) or (3) of this section  
25 to any taxpayer that is voluntarily collecting and remitting this  
26 state's sales or use taxes on sales to Washington customers but has no  
27 legal requirement to be registered with the department."

28 Correct the title.

EFFECT: Specifies that e-file and e-pay requirements will only be  
extended to quarterly filers.

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