

SENATE BILL REPORT

HB 1124

As of March 26, 2013

Title: An act relating to recommendations for streamlining reporting requirements for taxes and fees on spirits.

Brief Description: Concerning recommendations for streamlining reporting requirements for taxes and fees on spirits.

Sponsors: Representatives Hurst and Condotta.

Brief History: Passed House: 3/09/13, 98-0.

Committee Activity: Commerce & Labor: 3/25/13.

SENATE COMMITTEE ON COMMERCE & LABOR

Staff: Edith Rice (786-7444)

Background: The Department of Revenue (DOR) is responsible for the collection of a variety of different taxes in Washington State, including spirits taxes. The Liquor Control Board (LCB) issues a variety of licenses, permits, and endorsements for production, sales, and service of beer, wine, and spirits. Both agencies may be required to interact with businesses and taxpayers in a variety of transactions involving liquor. This may be cause for some confusion. For example, in order to enforce reporting or payment of spirits taxes DOR must notify LCB when a taxpayer is more than 30 days' delinquent. LCB must suspend or refuse to renew or issue a spirits license to the delinquent spirits taxpayer until such time as DOR is satisfied that the spirits taxpayer is current in reporting or remitting spirits taxes.

Summary of Bill: LCB and DOR must make recommendations to the Legislature to streamline the collection of liquor taxes, fees, and reports and require a single state agency to collect both revenue and information. Recommendations must be submitted to the Legislature electronically by September 30, 2013.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: We think there are ways to streamline the collection of revenue, information, and license fees. These are currently handled by different agencies. There should be a simpler way to do this.

Persons Testifying: PRO: Amy Brackenbury, WA Food Industry Assn.