

# SENATE BILL REPORT

## HB 1124

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As Reported by Senate Committee On:  
Commerce & Labor, March 27, 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, 3/27/13 [DP].

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass.

Signed by Senators Holmquist Newbry, Chair; Braun, Vice Chair; Conway, Ranking Member; Hasegawa, Hewitt, Keiser and King.

**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.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Fiscal Note:** Available.

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

**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.