
SUBSTITUTE HOUSE BILL 1558

State of Washington

63rd Legislature

2013 Regular Session

By House Finance (originally sponsored by Representatives Warnick, Manweller, Taylor, and Morrell)

READ FIRST TIME 03/01/13.

1 AN ACT Relating to the taxation of honey beekeepers; amending RCW
2 82.04.629, 82.04.630, 82.08.0204, and 82.12.0204; adding a new section
3 to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; adding
4 a new section to chapter 43.136 RCW; creating new sections; repealing
5 2008 c 314 s 7 (uncodified); providing an effective date; providing
6 expiration dates; and declaring an emergency.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** (1) The legislature finds that in 2008 the
9 legislature passed Second Substitute Senate Bill No. 6468, which
10 provided temporary tax relief for honey beekeepers. The legislature
11 further finds that the 2008 legislation included the following intent
12 language: "The legislature finds that recent occurrences of colony
13 collapse disorder and the resulting loss of bee hives will have an
14 economic impact on the state's agricultural sector. The legislature
15 intends to provide temporary business and occupation tax relief for
16 Washington's apiarists." The legislature further finds that in 2013,
17 colony collapse disorder is still a significant problem for the apiary
18 industry.

1 (2) Because of the continuing problems associated with colony
2 collapse disorder, it is the legislature's intent to extend the tax
3 relief provided in the 2008 legislation, subject to a rigorous and
4 periodic review of the health of honey bee colonies in Washington to
5 determine whether colony collapse disorder is still a significant
6 problem in the apiary industry. It is the legislature's intent that
7 the tax relief provided in this act will not be extended when data
8 indicates that honey bee colony survivorship has improved, as provided
9 in the colony collapse disorder progress report, published annually by
10 the United States department of agriculture, and data provided by the
11 Washington state department of agriculture to the joint legislative
12 audit and review committee.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW
14 to read as follows:

15 (1) The tax levied by RCW 82.08.020 does not apply to sales of feed
16 to an eligible apiarist for use in the raising of a bee colony used to
17 make honey bee products.

18 (2) This exemption is available only if the buyer provides the
19 seller with an exemption certificate in a form and manner prescribed by
20 the department.

21 (3) The definitions in RCW 82.04.629 apply to this section.

22 (4) This section expires July 1, 2016.

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW
24 to read as follows:

25 (1) The provisions of this chapter do not apply with respect to the
26 use of feed to an eligible apiarist for use in the raising of a bee
27 colony used to make honey bee products.

28 (2) The definitions in RCW 82.04.629 apply to this section.

29 (3) This section expires July 1, 2016.

30 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.136 RCW
31 to read as follows:

32 (1) As part of the joint legislative audit and review committee's
33 tax preference review under this chapter for the tax preferences
34 contained within this act, the joint legislative audit and review
35 committee must also evaluate whether Washington state taxes are a

1 disproportionately large percentage of the commercial beekeeper's
2 operational or capital costs, including an analysis of the impact of
3 Washington state taxes on similar sized businesses.

4 (2) This section expires July 1, 2016.

5 NEW SECTION. **Sec. 5.** (1) A honey bee work group must be created
6 to address challenges facing the honey bee industry and to develop a
7 report outlining solutions that bolster the use of Washington honey bee
8 colonies used to pollinate tree fruits, berries, and seeds. The work
9 group must include the following members: Two members from the
10 Washington state beekeepers association; one apiarist as defined in RCW
11 15.60.005 with no less than one thousand hives; one apiarist as defined
12 in RCW 15.60.005 with no more than twenty-five hives; one member from
13 the Washington State University apiary lab; one member from the
14 Washington state department of agriculture; one member from the tree
15 fruit industry; and one member from the seed industry.

16 (2) The work group may include or seek input from other agencies,
17 organizations, or stakeholders. By December 31, 2013, and in
18 compliance with RCW 43.01.036, the work group must submit a report to
19 the legislature that includes the following: (a) Proposed changes to
20 the industry's tax structure to increase competitiveness with out-of-
21 state beekeepers for pollination contracts; (b) providing analytics and
22 metrics to measure the value of the proposed tax structure changes; (c)
23 proposed additional resources needed to continue applied and basic
24 research to support commercial beekeepers in the state and to recover
25 colony losses; (d) identifying colony levels needed to meet the
26 pollination demands of the Washington agricultural industry; (e)
27 identifying other policy changes that would increase the
28 competitiveness of Washington beekeepers; (f) other industry needs that
29 would increase the market share of pollination contracts awarded to
30 Washington beekeepers; and (g) metrics needed to provide accountability
31 for state resources invested in the honey bee industry.

32 **Sec. 6.** RCW 82.04.629 and 2008 c 314 s 2 are each amended to read
33 as follows:

34 (1) This chapter does not apply to amounts derived from the
35 wholesale sale of honey bee products by an eligible apiarist who owns

1 or keeps bee colonies and who does not qualify for an exemption under
2 RCW 82.04.330 in respect to such sales.

3 (2) The exemption provided in subsection (1) of this section does
4 not apply to any person selling such products at retail or to any
5 person selling manufactured substances or articles.

6 (3) The following definitions in this subsection apply ~~((to))~~
7 throughout this section unless the context clearly requires otherwise.

8 (a) "Bee colony" means a natural group of honey bees containing
9 seven thousand or more workers and one or more queens, housed in a man-
10 made hive with movable frames, and operated as a beekeeping unit.

11 (b) "Eligible apiarist" means a person who owns or keeps one or
12 more bee colonies and who grows, raises, or produces honey bee products
13 for sale at wholesale and is registered under RCW 15.60.021.

14 (c) "Honey bee products" means queen honey bees, packaged honey
15 bees, honey, pollen, bees wax, propolis, or other substances obtained
16 from honey bees. "Honey bee products" does not include manufactured
17 substances or articles.

18 (4) This section expires July 1, 2016.

19 **Sec. 7.** RCW 82.04.630 and 2008 c 314 s 3 are each amended to read
20 as follows:

21 (1) This chapter does not apply to amounts received by an eligible
22 apiarist, as defined in RCW 82.04.629, for providing bee pollination
23 services to a farmer using a bee colony owned or kept by the person
24 providing the pollination services.

25 (2) The definitions in RCW 82.04.213 apply to this section.

26 (3) This section expires July 1, 2016.

27 **Sec. 8.** RCW 82.08.0204 and 2008 c 314 s 4 are each amended to read
28 as follows:

29 (1) The tax levied by RCW 82.08.020 does not apply to the sale of
30 honey bees to an eligible apiarist, as defined in RCW 82.04.629. This
31 exemption is available only if the buyer provides the seller with an
32 exemption certificate in a form and manner prescribed by the
33 department.

34 (2) This section expires July 1, 2016.

1 **Sec. 9.** RCW 82.12.0204 and 2008 c 314 s 5 are each amended to read
2 as follows:

3 (1) The provisions of this chapter do not apply in respect to the
4 use of honey bees by an eligible apiarist, as defined in RCW 82.04.629.
5 This exemption is available only if the buyer provides the seller with
6 an exemption certificate in a form and manner prescribed by the
7 department.

8 (2) This section expires July 1, 2016.

9 NEW SECTION. **Sec. 10.** 2008 c 314 s 7 (uncodified) is repealed.

10 NEW SECTION. **Sec. 11.** This act is necessary for the immediate
11 preservation of the public peace, health, or safety, or support of the
12 state government and its existing public institutions, and takes effect
13 July 1, 2013.

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