
HOUSE BILL 2766

State of Washington

63rd Legislature

2014 Regular Session

By Representative Orcutt

Read first time 02/04/14. Referred to Committee on Finance.

1 AN ACT Relating to providing business and occupation tax relief for
2 monthly publication newspapers; adding a new section to chapter 82.04
3 RCW; creating a new section; and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature categorizes this tax
6 preference as one intended to provide tax relief for certain businesses
7 or individuals, as indicated in RCW 82.32.808(2)(e).

8 (2) It is the legislature's specific public policy objective to
9 provide tax relief to the monthly newspaper publishing industry. It is
10 the legislature's intent to allow certain smaller publishers serving
11 localized populations in Washington state to benefit from the
12 preferential business and occupation rate that the legislature
13 established for larger newspaper industry businesses.

14 (3) If a review finds that the actual fiscal cost of this tax
15 preference has not exceeded the estimated cost provided in the final
16 fiscal note for the legislation by more than ten percent in any fiscal
17 year for fiscal years 2015 through 2019, then the legislature intends
18 to extend the expiration date of the tax preference.

1 (4) In order to obtain the data necessary to perform the review in
2 subsection (3) of this section, the joint legislative audit and review
3 committee will use data provided by the department of revenue regarding
4 taxpayer savings from claiming the preferential business and occupation
5 tax rate under section 2 of this act.

6 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04 RCW
7 to read as follows:

8 (1) Upon every person engaging within this state in the business of
9 printing a monthly newspaper, publishing a monthly newspaper, or both,
10 the amount of tax on such business is equal to the gross income of the
11 business multiplied by the rate of 0.35 percent through June 30, 2015,
12 and 0.2904 percent thereafter.

13 (2) The definitions in this subsection apply throughout this
14 section unless the context clearly requires otherwise.

15 (a) "Monthly newspaper" means a publication issued regularly at
16 stated intervals of not more than once a month and printed on newsprint
17 in tabloid or broadsheet format folded loosely together without
18 stapling, glue, or any other binding of any kind, including any
19 supplement of a printed newspaper, with fewer than twenty-five thousand
20 copies printed each month.

21 (b) "Supplement" means a printed publication, including a magazine
22 or advertising section, that is:

23 (i) Labeled and identified as part of the printed newspaper; and

24 (ii) Circulated or distributed:

25 (A) As an insert or attachment to the printed newspaper; or

26 (B) Separate and apart from the printed newspaper so long as the
27 distribution is within the general circulation area of the newspaper.

28 (3) This section expires July 1, 2020.

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