
SENATE BILL 6259

State of Washington 63rd Legislature 2014 Regular Session

By Senators Hargrove, Hatfield, Braun, and Hobbs

Read first time 01/20/14. Referred to Committee on Ways & Means.

1 AN ACT Relating to providing a reduced public utility tax for log
2 transportation businesses; amending RCW 82.16.020; reenacting and
3 amending RCW 82.16.010; and creating a new section.

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

5 **Sec. 1.** RCW 82.16.010 and 2009 c 535 s 1110 are each reenacted and
6 amended to read as follows:

7 For the purposes of this chapter, unless otherwise required by the
8 context:

9 (1) "Express business" means the business of carrying property for
10 public hire on the line of any common carrier operated in this state,
11 when such common carrier is not owned or leased by the person engaging
12 in such business.

13 (2) "Gas distribution business" means the business of operating a
14 plant or system for the production or distribution for hire or sale of
15 gas, whether manufactured or natural.

16 (3) "Gross income" means the value proceeding or accruing from the
17 performance of the particular public service or transportation business
18 involved, including operations incidental thereto, but without any
19 deduction on account of the cost of the commodity furnished or sold,

1 the cost of materials used, labor costs, interest, discount, delivery
2 costs, taxes, or any other expense whatsoever paid or accrued and
3 without any deduction on account of losses.

4 (4) "Light and power business" means the business of operating a
5 plant or system for the generation, production or distribution of
6 electrical energy for hire or sale and/or for the wheeling of
7 electricity for others.

8 (5) "Log transportation business" means the business of
9 transporting logs by truck, other than exclusively upon private roads.

10 (6) "Motor transportation business" means the business (except
11 urban transportation business) of operating any motor propelled vehicle
12 by which persons or property of others are conveyed for hire, and
13 includes, but is not limited to, the operation of any motor propelled
14 vehicle as an auto transportation company (except urban transportation
15 business), common carrier, or contract carrier as defined by RCW
16 81.68.010 and 81.80.010. However, "motor transportation business" does
17 not mean or include: (a) A log transportation business; or (b) the
18 transportation of logs or other forest products exclusively upon
19 private roads or private highways.

20 ((+6+)) (7)(a) "Public service business" means any of the
21 businesses defined in subsections (1), (2), (4), ((+5+),-(7+),) (6),
22 (8), (9), ((+11+),-and)) (10), (12), and (13) of this section or any
23 business subject to control by the state, or having the powers of
24 eminent domain and the duties incident thereto, or any business
25 hereafter declared by the legislature to be of a public service nature,
26 except telephone business and low-level radioactive waste site
27 operating companies as redefined in RCW 81.04.010. It includes, among
28 others, without limiting the scope hereof: Airplane transportation,
29 boom, dock, ferry, pipe line, toll bridge, toll logging road, water
30 transportation and wharf businesses.

31 (b) The definitions in this subsection ((+6+)) (7)(b) apply
32 throughout this subsection ((+6+)) (7).

33 (i) "Competitive telephone service" has the same meaning as in RCW
34 82.04.065.

35 (ii) "Network telephone service" means the providing by any person
36 of access to a telephone network, telephone network switching service,
37 toll service, or coin telephone services, or the providing of
38 telephonic, video, data, or similar communication or transmission for

1 hire, via a telephone network, toll line or channel, cable, microwave,
2 or similar communication or transmission system. "Network telephone
3 service" includes the provision of transmission to and from the site of
4 an internet provider via a telephone network, toll line or channel,
5 cable, microwave, or similar communication or transmission system.
6 "Network telephone service" does not include the providing of
7 competitive telephone service, the providing of cable television
8 service, the providing of broadcast services by radio or television
9 stations, nor the provision of internet access as defined in RCW
10 82.04.297, including the reception of dial-in connection, provided at
11 the site of the internet service provider.

12 (iii) "Telephone business" means the business of providing network
13 telephone service. It includes cooperative or farmer line telephone
14 companies or associations operating an exchange.

15 (iv) "Telephone service" means competitive telephone service or
16 network telephone service, or both, as defined in (b)(i) and (ii) of
17 this subsection.

18 (~~(7)~~) (8) "Railroad business" means the business of operating any
19 railroad, by whatever power operated, for public use in the conveyance
20 of persons or property for hire. It shall not, however, include any
21 business herein defined as an urban transportation business.

22 (~~(8)~~) (9) "Railroad car business" means the business of operating
23 stock cars, furniture cars, refrigerator cars, fruit cars, poultry
24 cars, tank cars, sleeping cars, parlor cars, buffet cars, tourist cars,
25 or any other kinds of cars used for transportation of property or
26 persons upon the line of any railroad operated in this state when such
27 railroad is not owned or leased by the person engaging in such
28 business.

29 (~~(9)~~) (10) "Telegraph business" means the business of affording
30 telegraphic communication for hire.

31 (~~(10)~~) (11) "Tugboat business" means the business of operating
32 tugboats, towboats, wharf boats or similar vessels in the towing or
33 pushing of vessels, barges or rafts for hire.

34 (~~(11)~~) (12) "Urban transportation business" means the business of
35 operating any vehicle for public use in the conveyance of persons or
36 property for hire, insofar as (a) operating entirely within the
37 corporate limits of any city or town, or within five miles of the
38 corporate limits thereof, or (b) operating entirely within and between

1 cities and towns whose corporate limits are not more than five miles
2 apart or within five miles of the corporate limits of either thereof.
3 Included herein, but without limiting the scope hereof, is the business
4 of operating passenger vehicles of every type and also the business of
5 operating cartage, pickup, or delivery services, including in such
6 services the collection and distribution of property arriving from or
7 destined to a point within or without the state, whether or not such
8 collection or distribution be made by the person performing a local or
9 interstate line-haul of such property.

10 ~~((+12+))~~ (13) "Water distribution business" means the business of
11 operating a plant or system for the distribution of water for hire or
12 sale.

13 ~~((+13+))~~ (14) The meaning attributed, in chapter 82.04 RCW, to the
14 term "tax year," "person," "value proceeding or accruing," "business,"
15 "engaging in business," "in this state," "within this state," "cash
16 discount" and "successor" shall apply equally in the provisions of this
17 chapter.

18 **Sec. 2.** RCW 82.16.020 and 2013 2nd sp.s. c 9 s 7 are each amended
19 to read as follows:

20 (1) There is levied and ~~((there shall be))~~ collected from every
21 person a tax for the act or privilege of engaging within this state in
22 any one or more of the businesses herein mentioned. The tax ~~((shall
23 be))~~ is equal to the gross income of the business, multiplied by the
24 rate set out after the business, as follows:

25 (a) Express, sewerage collection, and telegraph businesses: Three
26 and six-tenths percent;

27 (b) Light and power business: Three and sixty-two one-hundredths
28 percent;

29 (c) Gas distribution business: Three and six-tenths percent;

30 (d) Urban transportation business: Six-tenths of one percent;

31 (e) Vessels under sixty-five feet in length, except tugboats,
32 operating upon the waters within the state: Six-tenths of one percent;

33 (f) Motor transportation, railroad, railroad car, and tugboat
34 businesses, and all public service businesses other than ones mentioned
35 above: One and eight-tenths of one percent;

36 (g) Water distribution business: Four and seven-tenths percent;

1 (h) Log transportation business: One and twenty-eight one-
2 hundredths percent.

3 (2) An additional tax is imposed equal to the rate specified in RCW
4 82.02.030 multiplied by the tax payable under subsection (1) of this
5 section.

6 (3) Twenty percent of the moneys collected under subsection (1) of
7 this section on water distribution businesses and sixty percent of the
8 moneys collected under subsection (1) of this section on sewerage
9 collection businesses (~~shall~~) must be deposited in the education
10 legacy trust account created in RCW 83.100.230 from July 1, 2013,
11 through June 30, 2019, and thereafter in the public works assistance
12 account created in RCW 43.155.050.

13 NEW SECTION. **Sec. 3.** This act applies both retroactively and
14 prospectively.

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