

2SSB 5057 - S AMD TO S AMD (S-2278.4/15) 200
By Senator Ranker

NOT ADOPTED 3/9/2015

1 Beginning on page 2, line 25 of the amendment, strike all of
2 sections 3 through 6 and insert the following:

3 "Sec. 3. RCW 82.23B.010 and 1992 c 73 s 6 are each amended to
4 read as follows:

5 ((~~Unless the context clearly requires otherwise,~~) The
6 definitions in this section apply throughout this chapter unless the
7 context clearly requires otherwise.

8 (1) "Barrel" means a unit of measurement of volume equal to
9 forty-two United States gallons of crude oil or petroleum product.

10 (2) "Crude oil" means any naturally occurring liquid hydrocarbons
11 at atmospheric temperature and pressure coming from the earth,
12 including condensate and natural gasoline.

13 (3) "Department" means the department of revenue.

14 (4) "Marine terminal" means a facility of any kind, other than a
15 waterborne vessel, that is used for transferring crude oil or
16 petroleum products to or from a waterborne vessel or barge.

17 (5) "Navigable waters" means those waters of the state and their
18 adjoining shorelines that are subject to the ebb and flow of the
19 tide, including the Columbia and Snake rivers.

20 (6) "Person" has the meaning provided in RCW 82.04.030.

21 (7) "Petroleum product" means any liquid hydrocarbons at
22 atmospheric temperature and pressure that are the product of the
23 fractionation, distillation, or other refining or processing of crude
24 oil, and that are used as, useable as, or may be refined as a fuel or
25 fuel blendstock, including but not limited to, gasoline, diesel fuel,
26 aviation fuel, bunker fuel, and fuels containing a blend of alcohol
27 and petroleum.

28 (8) "Taxpayer" means the person owning crude oil or petroleum
29 products immediately after receipt of the same into the storage tanks
30 of a marine or bulk oil terminal in this state ((~~from a waterborne~~
31 ~~vessel or barge~~)) and who is liable for the taxes imposed by this
32 chapter.

1 (9) "Waterborne vessel or barge" means any ship, barge, or other
2 watercraft capable of (~~travelling~~) traveling on the navigable
3 waters of this state and capable of transporting any crude oil or
4 petroleum product in quantities of ten thousand gallons or more for
5 purposes other than providing fuel for its motor or engine.

6 (10) "Bulk oil terminal" means a facility of any kind, other than
7 a waterborne vessel, that is used for transferring crude oil or
8 petroleum products from a tank car or pipeline.

9 (11) "Tank car" means a rail car, the body of which consists of a
10 tank for transporting liquids.

11 **Sec. 4.** RCW 82.23B.020 and 2006 c 256 s 2 are each amended to
12 read as follows:

13 (1) An oil spill response tax is imposed on the privilege of
14 receiving: (a) Crude oil or petroleum products at a marine terminal
15 within this state from a waterborne vessel or barge operating on the
16 navigable waters of this state; (b) crude oil or petroleum products
17 at a bulk oil terminal within this state from a tank car; or (c)
18 crude oil or petroleum products at a bulk oil terminal within this
19 state from a pipeline. The tax imposed in this section is levied upon
20 the owner of the crude oil or petroleum products immediately after
21 receipt of the same into the storage tanks of a marine or bulk oil
22 terminal from a tank car, pipeline, or waterborne vessel or barge at
23 the rate of one cent per barrel of crude oil or petroleum product
24 received.

25 (2) In addition to the tax imposed in subsection (1) of this
26 section, an oil spill administration tax is imposed on the privilege
27 of receiving: (a) Crude oil or petroleum products at a marine
28 terminal within this state from a waterborne vessel or barge
29 operating on the navigable waters of this state; (b) crude oil or
30 petroleum products at a bulk oil terminal within this state from a
31 tank car; or (c) crude oil or petroleum products at a bulk oil
32 terminal within this state from a pipeline. The tax imposed in this
33 section is levied upon the owner of the crude oil or petroleum
34 products immediately after receipt of the same into the storage tanks
35 of a marine or bulk oil terminal from a tank car, pipeline, or
36 waterborne vessel or barge at the rate of (~~four~~) six and one-half
37 cents per barrel of crude oil or petroleum product.

38 (3) The taxes imposed by this chapter (~~shall~~) must be collected
39 by the marine or bulk oil terminal operator from the taxpayer. If any

1 person charged with collecting the taxes fails to bill the taxpayer
2 for the taxes, or in the alternative has not notified the taxpayer in
3 writing of the (~~imposition of the~~) taxes imposed, or having
4 collected the taxes, fails to pay them to the department in the
5 manner prescribed by this chapter, whether such failure is the result
6 of the person's own acts or the result of acts or conditions beyond
7 the person's control, he or she (~~shall~~), nevertheless, (~~be~~) is
8 personally liable to the state for the amount of the taxes. Payment
9 of the taxes by the owner to a marine or bulk oil terminal operator
10 (~~shall~~) relieves the owner from further liability for the taxes.

11 (4) Taxes collected under this chapter (~~shall~~) must be held in
12 trust until paid to the department. Any person collecting the taxes
13 who appropriates or converts the taxes collected (~~shall be~~) is
14 guilty of a gross misdemeanor if the money required to be collected
15 is not available for payment on the date payment is due. The taxes
16 required by this chapter to be collected (~~shall~~) must be stated
17 separately from other charges made by the marine or bulk oil terminal
18 operator in any invoice or other statement of account provided to the
19 taxpayer.

20 (5) If a taxpayer fails to pay the taxes imposed by this chapter
21 to the person charged with collection of the taxes and the person
22 charged with collection fails to pay the taxes to the department, the
23 department may, in its discretion, proceed directly against the
24 taxpayer for collection of the taxes.

25 (6) The taxes (~~shall be~~) are due from the marine or bulk oil
26 terminal operator, along with reports and returns on forms prescribed
27 by the department, within twenty-five days after the end of the month
28 in which the taxable activity occurs.

29 (7) The amount of taxes, until paid by the taxpayer to the marine
30 or bulk oil terminal operator or to the department, (~~shall~~)
31 constitutes a debt from the taxpayer to the marine or bulk oil
32 terminal operator. Any person required to collect the taxes under
33 this chapter who, with intent to violate the provisions of this
34 chapter, fails or refuses to do so as required and any taxpayer who
35 refuses to pay any taxes due under this chapter, (~~shall be~~) is
36 guilty of a misdemeanor as provided in chapter 9A.20 RCW.

37 (8) Upon prior approval of the department, the taxpayer may pay
38 the taxes imposed by this chapter directly to the department. The
39 department (~~shall~~) must give its approval for direct payment under
40 this section whenever it appears, in the department's judgment, that

1 direct payment will enhance the administration of the taxes imposed
2 under this chapter. The department (~~shall~~) must provide by rule for
3 the issuance of a direct payment certificate to any taxpayer
4 qualifying for direct payment of the taxes. Good faith acceptance of
5 a direct payment certificate by a terminal operator (~~shall~~)
6 relieves the marine or bulk oil terminal operator from any liability
7 for the collection or payment of the taxes imposed under this
8 chapter.

9 (9) All receipts from the tax imposed in subsection (1) of this
10 section (~~shall~~) must be deposited into the state oil spill response
11 account. All receipts from the tax imposed in subsection (2) of this
12 section shall be deposited into the oil spill prevention account.

13 (10) Within forty-five days after the end of each calendar
14 quarter, the office of financial management (~~shall~~) must determine
15 the balance of the oil spill response account as of the last day of
16 that calendar quarter. Balance determinations by the office of
17 financial management under this section are final and (~~shall~~) may
18 not be used to challenge the validity of any tax imposed under this
19 chapter. The office of financial management (~~shall~~) must promptly
20 notify the departments of revenue and ecology of the account balance
21 once a determination is made. For each subsequent calendar quarter,
22 the tax imposed by subsection (1) of this section (~~shall~~) must be
23 imposed during the entire calendar quarter unless:

24 (a) Tax was imposed under subsection (1) of this section during
25 the immediately preceding calendar quarter, and the most recent
26 quarterly balance is more than nine million dollars; or

27 (b) Tax was not imposed under subsection (1) of this section
28 during the immediately preceding calendar quarter, and the most
29 recent quarterly balance is more than eight million dollars.

30 **Sec. 5.** RCW 82.23B.030 and 1992 c 73 s 9 are each amended to
31 read as follows:

32 The taxes imposed under this chapter (~~shall~~) only apply to the
33 first receipt of crude oil or petroleum products at a marine or bulk
34 oil terminal in this state and not to the later transporting and
35 subsequent receipt of the same oil or petroleum product, whether in
36 the form originally received at a marine or bulk oil terminal in this
37 state or after refining or other processing.

1 **Sec. 6.** RCW 82.23B.040 and 1992 c 73 s 10 are each amended to
2 read as follows:

3 Credit (~~shall~~) must be allowed against the taxes imposed under
4 this chapter for any crude oil or petroleum products received at a
5 marine or bulk oil terminal and subsequently exported from or sold
6 for export from the state."

EFFECT: Imposes the oil spill response and oil spill
administration tax on oil by rail and pipeline and raises the oil
spill administration tax from 4 cents to 6.5 cents.

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