

SENATE BILL REPORT

SB 5206

As of January 17, 2019

Title: An act relating to providing a sales and use tax exemption for certain feminine hygiene products.

Brief Description: Providing a sales and use tax exemption for certain feminine hygiene products.

Sponsors: Senators Dhingra, Rivers, Wellman, Salomon, Keiser, Nguyen, Das, Randall, Palumbo, Carlyle, Wilson, C., Hunt, Mullet and Saldaña.

Brief History:

Committee Activity: Health & Long Term Care: 1/21/19.

Brief Summary of Bill

- Exempts feminine hygiene products from the state's sales and use tax.
- Makes the exemption permanent.
- Excludes the tax exemption from the tax performance statement requirements.

SENATE COMMITTEE ON HEALTH & LONG TERM CARE

Staff: LeighBeth Merrick (786-7445)

Background: Sales taxes are imposed on retail sales of most articles of tangible personal property, including feminine hygiene products. A retail sale is a sale to the final consumer or end user of the property. If sales taxes were not collected when the consumer purchased the property, then the consumer owes the state use tax on the value of the property. The state's sales and use tax rate is 6.5 percent. Most cities and all counties also levy sales and use taxes, with rates varying from 0.5 percent to 3.9 percent.

Under current law, tax preferences expire every ten years and any bill enacting a new tax preference must include a performance statement so the Legislature may determine whether or not the tax preference is meeting its intended goals. Every four years, the Department of Revenue is required to report to the Legislature on the amount of reduced revenues as a result

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.

of tax preferences for the current and next biennium. The Joint Legislative Audit and Review Committee also reviews specific tax preferences on behalf of the Legislature.

Summary of Bill: Sales of feminine hygiene products to consumers are exempt from the state's sales and use tax. Feminine hygiene products are described as "tampons, sanitary napkins, or other items for feminine hygiene. Other similar items do not include soaps, cleaning solutions, or shampoo." The ten-year automatic expiration date and the tax preference performance requirements do not apply to this tax preference.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.