

SENATE BILL REPORT

SB 6654

As of February 20, 2020

Title: An act relating to providing that qualified dealer cash incentives paid to auto dealers are bona fide discounts for purposes of the business and occupation tax.

Brief Description: Providing that qualified dealer cash incentives paid to auto dealers are bona fide discounts for purposes of the business and occupation tax.

Sponsors: Senators Mullet and Wilson, L..

Brief History:

Committee Activity: Ways & Means: 2/20/20.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• This is bullet one. I am typing something new.
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SENATE COMMITTEE ON WAYS & MEANS

Staff: Michele Alishahi (786-7433)

Background:

Business and Occupation Tax. Washington's major business tax is the business and occupation (B&O) tax. B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. Businesses must pay the B&O tax even if they do not make any profits or are operating at a loss. A taxpayer may have more than one B&O tax rate, depending on the types of activities conducted. Major B&O tax rates are 0.471 percent for retailing; 0.484 percent for manufacturing, wholesaling, and extracting; and 1.5 percent for services, and activities not classified elsewhere.

Summary of Bill: The bill as referred to committee not considered.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill (Proposed Substitute): This is the summary section. Adding some words.

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.

Staff Summary of Public Testimony On Proposed Substitute: PRO: This is a mighty fine bill.

Persons Testifying: PRO: Senator Mark Mullet, Prime Sponsor; Scott Hazlegrove, Washington State Auto Dealers Association; Greg Anderson, Titus Will.

Persons Signed In To Testify But Not Testifying: No one.