
SENATE BILL 5000

State of Washington

69th Legislature

2024 Regular Session

By Senator D Schrute; by request of Attorney General

Prefiled 09/05/24.

1 AN ACT Relating to ; and amending RCW 1.04.010, 82.32.010, and
2 82.32.020.

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

4 **Sec. 1.** RCW 1.04.010 and 1951 c 5 s 2 are each amended to read
5 as follows:

6 The ninety-one titles with chapters and sections designated as
7 the "Revised Code of Washington" and attested by the secretary of the
8 senate and the chief clerk of the house of representatives of the
9 legislature of the state of Washington, are hereby enacted and
10 designated as the "Revised Code of Washington." Said code is intended
11 to embrace in a revised, consolidated, and codified form and
12 arrangement all the laws of the state of a general and permanent
13 nature.

14 **Sec. 2.** RCW 82.32.010 and 2010 1st sp.s. c 19 s 13 are each
15 amended to read as follows:

16 The provisions of this chapter apply with respect to the taxes
17 imposed under chapters 82.04 through 82.14 RCW, under chapter 82.14B
18 RCW, under chapters 82.16 through 82.29A RCW of this title, under
19 chapter 84.33 RCW, and under other titles, chapters, and sections in

1 such manner and to such extent as indicated in each such title,
2 chapter, or section.

3 **Sec. 3.** RCW 82.32.020 and 2019 c 8 s 402 are each amended to
4 read as follows:

5 For the purposes of this chapter:

6 (1) The meaning attributed in chapters 82.01 through 82.27 RCW to
7 the words and phrases "tax year," "taxable year," "person,"
8 "company," "gross proceeds of sales," "gross income of the business,"
9 "business," "engaging in business," "successor," "gross operating
10 revenue," "gross income," "taxpayer," "retail sale," "seller,"
11 "buyer," "purchaser," "extended warranty," and "value of products"
12 apply equally to the provisions of this chapter.

13 (2) Unless the context clearly requires otherwise, the term "tax"
14 includes any monetary exaction, regardless of its label, that the
15 department is responsible for collecting, but not including interest,
16 penalties, the surcharge imposed in RCW 40.14.027, or fees incurred
17 by the department and recouped from taxpayers.

18 (3) Whenever "property" or "personal property" is used, those
19 terms must be construed to include digital goods and digital codes
20 unless: (a) It is clear from the context that the term "personal
21 property" is intended only to refer to tangible personal property;
22 (b) it is clear from the context that the term "property" is intended
23 only to refer to tangible personal property, real property, or both;
24 or (c) to construe the term "property" or "personal property" as
25 including digital goods and digital codes would yield unlikely,
26 absurd, or strained consequences.

27 (4) The definitions in this subsection apply throughout this
28 chapter, unless the context clearly requires otherwise.

29 (a) "Agreement" means the streamlined sales and use tax
30 agreement.

31 (b) "Associate member" means a petitioning state that is found to
32 be in compliance with the agreement and changes to its laws, rules,
33 or other authorities necessary to bring it into compliance are not in
34 effect, but are scheduled to take effect on or before January 1,
35 2008. The petitioning states, by majority vote, may also grant
36 associate member status to a petitioning state that does not receive
37 an affirmative vote of three-fourths of the petitioning states upon a
38 finding that the state has achieved substantial compliance with the
39 terms of the agreement as a whole, but not necessarily each required

1 provision, measured qualitatively, and there is a reasonable
2 expectation that the state will achieve compliance by January 1,
3 2008.

4 (c) "Certified automated system" means software certified under
5 the agreement to calculate the tax imposed by each jurisdiction on a
6 transaction, determine the amount of tax to remit to the appropriate
7 state, and maintain a record of the transaction.

8 (d) "Certified service provider" means an agent certified under
9 the agreement to perform all of the seller's sales and use tax
10 functions, other than the seller's obligation to remit tax on its own
11 purchases.

12 (e) (i) "Member state" means a state that:

13 (A) Has petitioned for membership in the agreement and submitted
14 a certificate of compliance; and

15 (B) Before the effective date of the agreement, has been found to
16 be in compliance with the requirements of the agreement by an
17 affirmative vote of three-fourths of the other petitioning states; or

18 (C) After the effective date of the agreement, has been found to
19 be in compliance with the agreement by a three-fourths vote of the
20 entire governing board of the agreement.

21 (ii) Membership by reason of (e) (i) (A) and (B) of this subsection
22 is effective on the first day of a calendar quarter at least sixty
23 days after at least ten states comprising at least twenty percent of
24 the total population, as determined by the 2000 federal census, of
25 all states imposing a state sales tax have petitioned for membership
26 and have either been found in compliance with the agreement or have
27 been found to be an associate member under section 704 of the
28 agreement.

29 (iii) Membership by reason of (e) (i) (A) and (C) of this
30 subsection is effective on the state's proposed date of entry or the
31 first day of the calendar quarter after its petition is approved by
32 the governing board, whichever is later, and is at least sixty days
33 after its petition is approved.

34 (f) "Model 1 seller" means a seller that has selected a certified
35 service provider as its agent to perform all the seller's sales and
36 use tax functions as outlined in the contract between the streamlined
37 sales tax governing board and the certified service provider, other
38 than the seller's obligation to remit tax on its own purchases.

1 (g) "Model 2 seller" means a seller that has selected a certified
2 automated system to perform part of its sales and use tax functions,
3 but retains responsibility for remitting the tax.

4 (h) "Model 3 seller" means a seller that has sales in at least
5 five member states, has total annual sales revenue of at least five
6 hundred million dollars, has a proprietary system that calculates the
7 amount of tax due each jurisdiction, and has entered into a
8 performance agreement with the member states that establishes a tax
9 performance standard for the seller. As used in this subsection
10 (4)(h), a seller includes an affiliated group of sellers using the
11 same proprietary system.

12 (i) "Source" means the location in which the sale or use of
13 tangible personal property, a digital good or digital code, an
14 extended warranty, or a digital automated service or other service,
15 subject to tax under chapter 82.08, 82.12, 82.14, or 82.14B RCW, is
16 deemed to occur.

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