
SENATE BILL 7010

State of Washington

69th Legislature

2025 Regular Session

By Senators Bateman and Boehnke

Prefiled 12/03/24.

1 AN ACT Relating to Testing for Session '25; and amending RCW
2 82.32.030, 82.32.033, 82.32.045, 82.32.050, and 82.32.052.

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

4 **Sec. 1.** RCW 82.32.030 and 2017 c 323 s 505 are each amended to
5 read as follows:

6 (1) Except as provided in subsections (2) and (3) of this
7 section, if any person engages in any business or performs any act
8 upon which a tax is imposed by the Original Bill (~~preceding~~
9 ~~chapters, he or she must~~)), under such rules as the department
10 prescribes, apply for and obtain from the department a registration
11 certificate. Such registration certificate is personal and
12 nontransferable and is valid as long as the taxpayer continues in
13 business and pays the tax accrued to the state. In case business is
14 transacted at two or more separate places by one taxpayer, a separate
15 registration certificate for each place at which business is
16 transacted with the public is required. Each certificate must be
17 numbered and must show the name, residence, and place and character
18 of business of the taxpayer and such other information as the
19 department of revenue deems necessary and must be posted in a
20 conspicuous place at the place of business for which it is issued.
21 Where a place of business of the taxpayer is changed, the taxpayer

1 must return to the department the existing certificate, and a new
2 certificate will be issued for the new place of business. No person
3 required to be registered under this section may engage in any
4 business taxable hereunder without first being so registered. The
5 department, by rule, may provide for the issuance of certificates of
6 registration to temporary places of business.

7 (2) Unless the person is a dealer as defined in RCW 9.41.010,
8 registration under this section is not required if the following
9 conditions are met:

10 (a) A person's value of products, gross proceeds of sales, or
11 gross income of the business, from all business activities taxable
12 under chapter 82.04 RCW, is less than twelve thousand dollars per
13 year;

14 (b) The person's gross income of the business from all activities
15 taxable under chapter 82.16 RCW is less than twelve thousand dollars
16 per year;

17 (c) The person is not required to collect or pay to the
18 department of revenue any other tax or fee that the department is
19 authorized to collect; and

20 (d) The person is not otherwise required to obtain a license
21 subject to the business license application procedure provided in
22 chapter 19.02 RCW.

23 (3) All persons who agree to collect and remit sales and use tax
24 to the department under the agreement must register through the
25 central registration system authorized under the agreement. Persons
26 required to register under subsection (1) of this section are not
27 relieved of that requirement because of registration under this
28 subsection (3).

29 (4) Persons registered under subsection (3) of this section who
30 are not required to register under subsection (1) of this section and
31 who are not otherwise subject to the requirements of chapter 19.02
32 RCW are not subject to the fees imposed by the department under the
33 authority of RCW 19.02.075.

34 **Sec. 2.** RCW 82.32.033 and 2007 c 111 s 105 are each amended to
35 read as follows:

36 (1) A promoter of a special event within the state of Washington
37 shall not permit a vendor to make or solicit retail sales of tangible
38 personal property or services at the special event unless the
39 promoter makes a good faith effort to obtain verification that the

1 vendor has obtained a certificate of registration from the
2 department.

3 (2) A promoter of a special event shall:

4 (a) Keep, in addition to the records required under RCW
5 82.32.070, a record of the dates and place of each special event, and
6 the name, address, and registration certificate number of each vendor
7 permitted to make or solicit retail sales of tangible personal
8 property or services at the special event. The record of the date and
9 place of a special event, and the name, address, and registration
10 certificate number of each vendor at the event shall be preserved for
11 a period of one year from the date of a special event; and

12 (b) Provide to the department, within twenty days of receipt of a
13 written request from the department, a list of vendors permitted to
14 make or solicit retail sales of tangible personal property or
15 services. The list shall be in a form and contain such information as
16 the department may require, and shall include the date and place of
17 the event, and the name, address, and registration certificate number
18 of each vendor.

19 (3) If a promoter fails to make a good faith effort to comply
20 with the provisions of this section, the promoter is liable for the
21 penalties provided in this subsection (3).

22 (a) If a promoter fails to make a good faith effort to comply
23 with the provisions of subsection (1) of this section, the department
24 shall impose a penalty of one hundred dollars for each vendor
25 permitted to make or solicit retail sales of tangible personal
26 property or services at the special event.

27 (b) If a promoter fails to make a good faith effort to comply
28 with the provisions of subsection (2)(b) of this section, the
29 department shall impose a penalty of:

30 (i) Two hundred fifty dollars if the information requested is not
31 received by the department within twenty days of the department's
32 written request; and

33 (ii) One hundred dollars for each vendor for whom the information
34 as required by subsection (2)(b) of this section is not provided to
35 the department.

36 (4) The aggregate of penalties imposed under subsection (3) of
37 this section may not exceed two thousand five hundred dollars for a
38 special event if the promoter has not previously been penalized under
39 this section. Under no circumstances is a promoter liable for sales

1 tax or business and occupation tax not remitted to the department by
2 a vendor at a special event.

3 (5) The department shall notify a promoter by mail, or
4 electronically as provided in RCW 82.32.135, of any penalty imposed
5 under this section, and the penalty shall be due within thirty days
6 from the date of the notice. If any penalty imposed under this
7 section is not received by the department by the due date, there
8 shall be assessed interest on the unpaid amount beginning the day
9 following the due date until the penalty is paid in full. The rate of
10 interest shall be computed on a daily basis on the amount of
11 outstanding penalty at the rate as computed under RCW 82.32.050(2).
12 The rate computed shall be adjusted annually in the same manner as
13 provided in RCW 82.32.050(1)(c).

14 (6) For purposes of this section:

15 (a) "Promoter" means a person who organizes, operates, or
16 sponsors a special event and who contracts with vendors for
17 participation in the special event.

18 (b) "Special event" means an entertainment, amusement,
19 recreational, educational, or marketing event, whether held on a
20 regular or irregular basis, at which more than one vendor makes or
21 solicits retail sales of tangible personal property or services. The
22 term includes, but is not limited to: Auto shows, recreational
23 vehicle shows, boat shows, home shows, garden shows, hunting and
24 fishing shows, stamp shows, comic book shows, sports memorabilia
25 shows, craft shows, art shows, antique shows, flea markets,
26 exhibitions, festivals, concerts, swap meets, bazaars, carnivals,
27 athletic contests, circuses, fairs, or other similar activities.
28 "Special event" does not include an event that is organized for the
29 exclusive benefit of any nonprofit organization as defined in RCW
30 82.04.3651. An event is organized for the exclusive benefit of a
31 nonprofit organization if all of the gross proceeds of retail sales
32 of all vendors at the event inure to the benefit of the nonprofit
33 organization on whose behalf the event is being held. "Special event"
34 does not include athletic contests that involve competition between
35 teams, when such competition consists of more than five contests in a
36 calendar year by at least one team at the same facility or site.

37 (c) "Vendor" means a person who, at a special event, makes or
38 solicits retail sales of tangible personal property or services.

1 (7) "Good faith effort to comply" and "good faith effort to
2 obtain" may be shown by, but is not limited to, circumstances where a
3 promoter:

4 (a) Includes a statement on all written contracts with its
5 vendors that a valid registration certificate number issued by the
6 department of revenue is required for participation in the special
7 event and requires vendors to indicate their registration certificate
8 number on these contracts; and

9 (b) Provides the department with a list of vendors and their
10 associated registration certificate numbers as provided in subsection
11 (2)(b) of this section.

12 (8) This section does not apply to:

13 (a) A special event whose promoter does not charge more than two
14 hundred dollars for a vendor to participate in a special event;

15 (b) A special event whose promoter charges a percentage of sales
16 instead of, or in addition to, a flat charge for a vendor to
17 participate in a special event if the promoter, in good faith,
18 believes that no vendor will pay more than two hundred dollars to
19 participate in the special event; or

20 (c) A person who does not organize, operate, or sponsor a special
21 event, but only provides a venue, supplies, furnishings, fixtures,
22 equipment, or services to a promoter of a special event.

23 **Sec. 3.** RCW 82.32.045 and 2023 c 374 s 12 are each amended to
24 read as follows:

25 (1) Except as otherwise provided in this chapter and subsection
26 (6) of this section, payments of the taxes imposed under chapters
27 82.04, 82.08, 82.12, 82.14, 82.16, and 82.27 RCW, along with reports
28 and returns on forms prescribed by the department, are due monthly
29 within 25 days after the end of the month in which the taxable
30 activities occur.

31 (2) The department of revenue may relieve any taxpayer or class
32 of taxpayers from the obligation of remitting monthly and may require
33 the return to cover other longer reporting periods, but in no event
34 may returns be filed for a period greater than one year. Except as
35 provided in subsection (3) of this section, for these taxpayers, tax
36 payments are due on or before the last day of the month next
37 succeeding the end of the period covered by the return.

38 (3) For annual filers, tax payments, along with reports and
39 returns on forms prescribed by the department, are due on or before

1 April 15th of the year immediately following the end of the period
2 covered by the return.

3 (4) The department of revenue may also require verified annual
4 returns from any taxpayer, setting forth such additional information
5 as it may deem necessary to correctly determine tax liability.

6 (5) Notwithstanding subsections (1) and (2) of this section, the
7 department may relieve any person of the requirement to file returns
8 if the following conditions are met:

9 (a) The person's value of products, gross proceeds of sales, or
10 gross income of the business, from all business activities taxable
11 under chapter 82.04 RCW, is less than \$125,000 per year;

12 (b) The person's gross income of the business from all activities
13 taxable under chapter 82.16 RCW is less than \$24,000 per year; and

14 (c) The person is not required to collect or pay to the
15 department of revenue any other tax or fee which the department is
16 authorized to collect.

17 (6)(a) Taxes imposed under chapter 82.08 or 82.12 RCW on taxable
18 events that occur beginning January 1, 2019, through June 30, 2019,
19 and payable by a consumer directly to the department are due, on
20 returns prescribed by the department, by July 25, 2019.

21 (b) This subsection (6) does not apply to the reporting and
22 payment of taxes imposed under chapters 82.08 and 82.12 RCW:

23 (i) On the retail sale or use of motor vehicles, vessels, or
24 aircraft; or

25 (ii) By consumers who are engaged in business, unless the
26 department has relieved the consumer of the requirement to file
27 returns pursuant to subsection (5) of this section.

28 **Sec. 4.** RCW 82.32.050 and 2022 c 282 s 2 are each amended to
29 read as follows:

30 (1) If upon examination of any returns or from other information
31 obtained by the department it appears that a tax or penalty has been
32 paid less than that properly due, the department shall assess against
33 the taxpayer such additional amount found to be due and shall add
34 thereto interest on the tax only. The department shall notify the
35 taxpayer by mail, or electronically as provided in RCW 82.32.135, of
36 the additional amount and the additional amount shall become due and
37 shall be paid within thirty days from the date of the notice, or
38 within such further time as the department may provide.

1 (a) For tax liabilities arising before January 1, 1992, interest
2 shall be computed at the rate of nine percent per annum from the last
3 day of the year in which the deficiency is incurred until the earlier
4 of December 31, 1998, or the date of payment. After December 31,
5 1998, the rate of interest shall be variable and computed as provided
6 in subsection (2) of this section. The rate so computed shall be
7 adjusted on the first day of January of each year for use in
8 computing interest for that calendar year.

9 (b) For tax liabilities arising after December 31, 1991, the rate
10 of interest shall be variable and computed as provided in subsection
11 (2) of this section from the last day of the year in which the
12 deficiency is incurred until the date of payment. The rate so
13 computed shall be adjusted on the first day of January of each year
14 for use in computing interest for that calendar year.

15 (c)(i) Except as otherwise provided in this subsection (1)(c),
16 interest imposed after December 31, 1998, shall be computed from the
17 last day of the month following each calendar year included in a
18 notice, and the last day of the month following the final month
19 included in a notice if not the end of a calendar year, until the due
20 date of the notice.

21 (ii) For interest associated with annual tax reporting periods
22 having a due date as prescribed in RCW 82.32.045(3), interest must be
23 computed from the last day of April immediately following each such
24 annual reporting period included in the notice, until the due date of
25 the notice.

26 (iii) For purposes of computing interest under (c)(i) and (ii) of
27 this subsection (1):

28 (A) The same computation of interest applies regardless of
29 whether the department grants additional time for filing any return
30 under RCW 82.32.080(4)(a)(i).

31 (B) If the department extends a due date under subsection (3) of
32 this section or RCW 82.32.080(4)(b), and payment is not made in full
33 by the extended due date, interest is computed from the last day of
34 the month in which the extended due date occurs until the date of
35 payment.

36 (iv) If payment in full is not made by the due date of the
37 notice, additional interest shall be computed under this subsection
38 (1)(c) until the date of payment. The rate of interest shall be
39 variable and computed as provided in subsection (2) of this section.

1 The rate so computed shall be adjusted on the first day of January of
2 each year for use in computing interest for that calendar year.

3 (2) For the purposes of this section, the rate of interest to be
4 charged to the taxpayer shall be an average of the federal short-term
5 rate as defined in 26 U.S.C. Sec. 1274(d) plus two percentage points.
6 The rate set for each new year shall be computed by taking an
7 arithmetical average to the nearest percentage point of the federal
8 short-term rate, compounded annually. That average shall be
9 calculated using the rates from four months: January, April, and July
10 of the calendar year immediately preceding the new year, and October
11 of the previous preceding year.

12 (3) During a state of emergency declared under RCW 43.06.010(12),
13 the department, on its own motion or at the request of any taxpayer
14 affected by the emergency, may extend the due date of any assessment
15 or correction of an assessment for additional taxes, penalties, or
16 interest as the department deems proper.

17 (4) No assessment or correction of an assessment for additional
18 taxes, penalties, or interest due may be made by the department more
19 than four years after the close of the tax year, except (a) against a
20 taxpayer who has not registered as required by this chapter, (b) upon
21 a showing of fraud or of misrepresentation of a material fact by the
22 taxpayer, or (c) where a taxpayer has executed a written waiver of
23 such limitation. The execution of a written waiver shall also extend
24 the period for making a refund or credit as provided in RCW
25 82.32.060(2).

26 (5) For the purposes of this section, the following definitions
27 apply:

28 (a) "Due date of the notice" means the date indicated in the
29 notice by which the amount due in the notice must be paid, or such
30 later date as provided by RCW 1.12.070(3).

31 (b) "Return" means any document a person is required by the state
32 of Washington to file to satisfy or establish a tax or fee obligation
33 that is administered or collected by the department and that has a
34 statutorily defined due date. "Return" also means an application for
35 refund under RCW 82.08.0206.

36 **Sec. 5.** RCW 82.32.052 and 2010 2nd sp.s. c 2 s 1 are each
37 amended to read as follows:

38 (1) Except as otherwise provided in subsections (4) and (5) of
39 this section, the department must waive all penalties and interest

1 otherwise due under this chapter and that are unpaid as of February
2 1, 2011, if all of the following circumstances are met:

3 (a) The penalties and interest are imposed with respect to: (i)
4 State business and occupation tax, state public utility tax, state or
5 local sales tax, or state or local use tax; and (ii) tax liability
6 that first became due to the department before February 1, 2011,
7 which includes taxes billed to the taxpayer, or disclosed by the
8 taxpayer to the department, on or after February 1, 2011, but that
9 were required by this chapter to have been reported and paid by the
10 taxpayer before February 1, 2011;

11 (b) The taxpayer must file with the department no later than
12 April 18, 2011: (i) All outstanding tax returns for the taxes
13 specified in (a)(i) of this subsection (1); and (ii) any amended
14 returns covering tax liabilities with respect to which a penalty and
15 interest waiver under this section is requested;

16 (c) Before May 1, 2011, the taxpayer must remit full payment to
17 the department of the balance due on all tax liabilities for which a
18 penalty and interest waiver under this section is requested. If a
19 waiver is requested for penalties or interest associated with an
20 invoice that has been billed to the taxpayer, the taxpayer must remit
21 full payment to the department of the entire balance due on that
22 invoice other than any penalty and interest eligible for waiver under
23 this section, even if the invoice includes taxes not specified in
24 (a)(i) of this subsection (1). If the invoice is a tax warrant, the
25 taxpayer must also remit full payment to the department of any filing
26 or other fees added to the tax warrant, including the filing fees
27 provided in RCW 36.18.012 (2) and (10), the fee imposed in RCW
28 36.18.016(4), and the surcharge imposed in RCW 40.14.027;

29 (d) The taxpayer must file and pay in full by the due date all
30 tax returns that become due after January 31, 2011, and before May 1,
31 2011, for all taxes administered by the department under this
32 chapter;

33 (e) No later than April 18, 2011, the department must receive a
34 completed application for penalty and interest waiver under this
35 section in a form and manner prescribed by the department;

36 (f) The taxpayer must never have had an evasion penalty assessed
37 against the taxpayer by the department under RCW 82.32.090 or a
38 penalty assessed against the taxpayer by the department under RCW
39 82.32.291 for misusing a reseller permit or resale certificate; and

1 (g) The taxpayer must never have been a defendant in a criminal
2 prosecution related to an offense involving the failure to collect or
3 pay the proper amount of any tax administered by the department under
4 this chapter.

5 (2) Taxpayers receiving penalty or interest relief under this
6 section may not seek a refund, or otherwise challenge the amount, of
7 any tax liability paid as required by subsection (1)(c) of this
8 section. This subsection (2) applies to refund requests or appeals
9 filed directly with the department and to proceedings brought in any
10 court or administrative tribunal.

11 (3) All tax liability reported and paid as required in subsection
12 (1)(b), (c), and (d) of this section is subject to verification by
13 the department as provided in RCW 82.32.050. This section does not
14 preclude the assessment of taxes, penalties, and interest with
15 respect to any amounts determined by the department to have been
16 underpaid for any tax period for which the taxpayer previously
17 received penalty or interest relief under this section.

18 (4) This section does not authorize the department to waive the
19 evasion penalty currently authorized by RCW 82.32.090(7) or the
20 penalty currently authorized by RCW 82.32.291 for misusing a reseller
21 permit or resale certificate.

22 (5) If taxpayers are current for tax returns due as of November
23 25, 2010, tax liability that accrues after that date would not
24 qualify under this section.

25 (6) Nothing in this section may be construed as requiring a
26 taxpayer to have first paid any penalty or interest for which a
27 waiver is sought under this section.

28 (7) Solely for purposes of determining whether a taxpayer
29 qualifies for a waiver of penalties or interest under this section
30 with respect to a balance owing as of February 1, 2011, on any
31 invoice issued by the department, any payments made to the department
32 on that taxpayer's account before May 1, 2011, are deemed to have
33 been applied first to any of the taxes specified in subsection
34 (1)(a)(i) of this section, then to any other taxes, and then to
35 penalties or interest, if such payments were applied either:

36 (a) To that invoice; or

37 (b) Against any liability reflected in that invoice before that
38 invoice was issued by the department.

39 (8) A taxpayer in a bankruptcy proceeding is ineligible for
40 relief under this section to the extent that the payment of any tax

1 debt by the taxpayer to the department as required under this section
2 violates the federal bankruptcy code.

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