

2 **ESSB 6244** - H AMD TO APP COMM AMD (H-4310.3/94) **1228BEYOND S/O22594**
3 By Representatives Forner and Reams

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5 On page 142, after line 27 of the amendment, insert the following:

6 "Sec. 907. RCW 82.04.290 and 1993 sp.s. c 25 s 203 are each
7 amended to read as follows:

8 (1) Upon every person engaging within this state in the business of
9 providing selected business services other than or in addition to those
10 enumerated in RCW 82.04.250 or 82.04.270; as to such persons the amount
11 of tax on account of such activities shall be equal to the gross income
12 of the business multiplied by the rate of ((2.5)) 1.5 percent.

13 (2) Upon every person engaging within this state in banking, loan,
14 security, investment management, investment advisory, or other
15 financial businesses; as to such persons, the amount of the tax with
16 respect to such business shall be equal to the gross income of the
17 business, multiplied by the rate of 1.70 percent.

18 (3) Upon every person engaging within this state in any business
19 activity other than or in addition to those enumerated in RCW
20 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260, 82.04.270, and
21 82.04.280, and subsections (1) and (2) of this section; as to such
22 persons the amount of tax on account of such activities shall be equal
23 to the gross income of the business multiplied by the rate of ((2.0))
24 1.5 percent. This section includes, among others, and without limiting
25 the scope hereof (whether or not title to materials used in the
26 performance of such business passes to another by accession, confusion
27 or other than by outright sale), persons engaged in the business of
28 rendering any type of service which does not constitute a "sale at
29 retail" or a "sale at wholesale." The value of advertising,
30 demonstration, and promotional supplies and materials furnished to an
31 agent by his principal or supplier to be used for informational,
32 educational and promotional purposes shall not be considered a part of
33 the agent's remuneration or commission and shall not be subject to
34 taxation under this section.

1 **Sec. 908.** RCW 82.04.300 and 1993 sp.s. c 25 s 205 are each amended
2 to read as follows:

3 (1)(a) This chapter shall apply to any person engaging in any
4 business activity taxable under RCW 82.04.230, 82.04.240,
5 ~~((82.04.250,))~~ 82.04.255, 82.04.260, 82.04.270, 82.04.280, and
6 82.04.290(2) other than those whose value of products, gross proceeds
7 of sales, or gross income of the business is less than one thousand
8 dollars per month: PROVIDED, That where one person engages in more
9 than one business activity and the combined measures of the tax
10 applicable to such businesses equal or exceed one thousand dollars per
11 month, no exemption or deduction from the amount of tax is allowed by
12 this ~~((section))~~ subsection.

13 (b) This chapter shall apply to any person engaging in any business
14 activity taxable under RCW 82.04.250 other than those whose value of
15 products, gross proceeds of sales, or gross income of the business is
16 less than twenty-five thousand dollars per month. However, where one
17 person engages in more than one business activity and the combined
18 measures of the tax applicable to such businesses equal or exceed
19 twenty-five thousand dollars per month, no exemption or deduction for
20 the amount of tax is allowed by this subsection.

21 (c) This chapter shall apply to any person engaging in any business
22 activity taxable under RCW 82.04.290(1) and (3) other than those whose
23 value of products, gross proceeds of sales, or gross income of the
24 business is less than twelve thousand five hundred dollars per month.
25 However, where one person engages in more than one business activity
26 and the combined measures of the tax applicable to such businesses
27 equal or exceed twelve thousand five hundred dollars per month, no
28 exemption or deduction for the amount of tax is allowed by this
29 subsection.

30 (2) Any person claiming exemption under the provisions of this
31 section may be required, according to rules adopted by the department,
32 to file returns even though no tax may be due. The department of
33 revenue may allow exemptions, by general rule or regulation, in those
34 instances in which quarterly, semiannual, or annual returns are
35 permitted. Exemptions for such periods shall be equivalent in amount
36 to the total of exemptions for each month of a reporting period.

37 NEW SECTION. **Sec. 909.** The department of revenue may not
38 recategorize entities or businesses impacted by sections 1 and 2 of

1 this act in a manner that would effectively increase the rate of
2 applicable taxation."

3 Renumber the remaining sections consecutively and correct any
4 internal references accordingly.

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