

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6215 SB	<b>Title:</b> Tax and revenue laws
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## Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	No fiscal impact					
Local Gov. Other	No fiscal impact					
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Revenue	.0	3,800	3,800	3,800	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>3,800</b>	<b>3,800</b>	<b>3,800</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other	No fiscal impact								
Local Gov. Total									

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other	No fiscal impact								
Local Gov. Total									

## Estimated Capital Budget Breakout

<b>Prepared by:</b> Amy Hatfield, OFM	<b>Phone:</b> (360) 280-7584	<b>Date Published:</b> Final 1/22/2024
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# Department of Revenue Fiscal Note

<b>Bill Number:</b> 6215 SB	<b>Title:</b> Tax and revenue laws	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Expenditures from:**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.1	0.0		
<b>Account</b>					
GF-STATE-State 001-1		3,800	3,800		
<b>Total \$</b>		3,800	3,800		

**Estimated Capital Budget Impact:**

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jeffrey Mitchell	Phone: 60-786-7438	Date: 01/13/2024
Agency Preparation: Kari Kenall	Phone: 60-534-1508	Date: 01/18/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 01/18/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/22/2024

Request # 6215-1-1

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

This bill improves various tax and revenue laws by making technical corrections, clarifying ambiguities, and providing administrative efficiencies for taxpayers and the Department of Revenue (department).

Specifically, this bill:

- Clarifies the requirement that the department must provide, in addition to the median single-family residential value of each school district, the median single-family residential value of school districts within 15 miles of the boundary of that school district every four years.
- Corrects an erroneous “the” to “than” in the definition of “primarily” in the business & occupation tax exemption for newspapers.
- Removes an outdated reference for administration of reseller permit renewal periods that occurred prior to July 1, 2013.
- Corrects the definition of “contractor” to align with changes made to the definition of “plumbing contractor” in licensing statutes not administered by the department.
- Clarifies that a military service member stationed outside of Washington must also reside outside of Washington to qualify for the use tax exemption for motor vehicles and trailers.
- Creates a new section in the local real estate excise tax law providing administrative consistency between local and state real estate excise taxes.
- Repeals the requirement for agencies required to participate in the implementation of the Business License Center Act to provide the department with certain information about business licenses issued by each participating agency; and the requirement for the department to compile such information and submit an aggregate report to the governor and economic development committees by January 1 of each year.
- Retains the January 1, 2034, expiration of tax relief for newspaper publishers.

#### EFFECTIVE DATE:

This bill takes effect 90 days after the final adjournment of the session.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

#### REVENUE ESTIMATES:

- Adding clarifying language exempting members of the armed services from use tax for motor vehicles and trailers if they are residents of Washington and stationed and residing outside of Washington results in no revenue impact.
- Adding a cross-reference in the local real estate excise tax law to state real estate excise tax law results in no revenue impact.

The remaining various tax and revenue law improvements of this legislation result in no revenue impact on taxes administered by the department.

**II. C - Expenditures**

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

**FIRST YEAR COSTS:**

The department will not incur any costs in fiscal year 2024.

**SECOND YEAR COSTS:**

The department will incur total costs of \$3,800 in fiscal year 2025. These costs include:

- Labor Costs – Time and effort equate to .07 FTE.
- Amend one administrative rule.

**ONGOING COSTS:**

There are no ongoing costs.

**Part III: Expenditure Detail**

**III. A - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.1	0.0		
A-Salaries and Wages		2,500	2,500		
B-Employee Benefits		800	800		
E-Goods and Other Services		300	300		
J-Capital Outlays		200	200		
<b>Total \$</b>		\$3,800	\$3,800		

**III. B - Detail:** FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
EMS BAND 4	131,684		0.0	0.0		
MGMT ANALYST4	76,188		0.0	0.0		
TAX POLICY SP 2	78,120		0.0	0.0		
TAX POLICY SP 3	88,416		0.0	0.0		
TAX POLICY SP 4	95,184		0.0	0.0		
WMS BAND 3	111,992		0.0	0.0		
<b>Total FTEs</b>			0.1	0.1		

**III. C - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

#### **IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

#### **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

Should this legislation become law, the department will use the expedited rulemaking process to amend WAC 458-20-10201, titled: "Application process and eligibility requirements for reseller permits." Persons affected by this rulemaking would include contractors who apply for a reseller permit.

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

**Bill Number:** 6215 SB

**Title:** Tax and revenue laws

**Part I: Jurisdiction**-Location, type or status of political subdivision defines range of fiscal impacts.

## Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

## Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

### Estimated revenue impacts to:

None

### Estimated expenditure impacts to:

None

## Part III: Preparation and Approval

Fiscal Note Analyst: Tammi Alexander	Phone: 360-725-5038	Date: 01/22/2024
Leg. Committee Contact: Jeffrey Mitchell	Phone: 360-786-7438	Date: 01/13/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/22/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/22/2024

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

*Description of the bill with an emphasis on how it impacts local government.*

This bill improves various tax and revenue laws by making technical corrections, clarifying ambiguities, and providing administrative efficiencies for taxpayers and the Department of Revenue.

### **B. SUMMARY OF EXPENDITURE IMPACTS**

*Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.*

This bill would not impact local government expenditures because no action is required.

### **C. SUMMARY OF REVENUE IMPACTS**

*Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.*

This bill would not impact local government revenues. It makes several improvements to tax and revenue laws, but has no revenue impact on taxes according to the Department of Revenue (DOR.)

#### **SOURCE:**

Department of Revenue fiscal note, SB 6215



# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6215 SB	<b>Title:</b> Tax and revenue laws	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

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- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jeffrey Mitchell	Phone: 360-786-7438	Date: 01/13/2024
Agency Preparation: Michelle Matakas	Phone: 360 725-6019	Date: 01/18/2024
Agency Approval: TJ Kelly	Phone: (360) 725-6301	Date: 01/18/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 01/18/2024

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

This bill is a technical correction to clarify ambiguities and provide administrative efficiencies amending RCW 28A.150.412, 82.04.759, 82.32.783 and 82.12.0266, and adding a new section to chapter 82.46 RCW, and repealing RCW 19.02.055. No fiscal impact.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B - Expenditures by Object Or Purpose

NONE

### IV. C - Capital Budget Breakout

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*