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**SUBSTITUTE HOUSE BILL 1619**

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**State of Washington**

**64th Legislature**

**2015 Regular Session**

**By** House Finance (originally sponsored by Representatives S. Hunt, Nealey, Fitzgibbon, and Pollet)

1 AN ACT Relating to providing a business and occupation tax  
2 exemption for environmental handling charges; adding a new section to  
3 chapter 82.04 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that Engrossed  
6 Substitute House Bill No. 2246, enacted in 2014, created an  
7 environmental handling charge. However, the 2014 legislature did not  
8 intend for business and occupation taxes to be imposed on top of such  
9 charge. Therefore, the legislature intends to clarify that  
10 environmental handling charges are not subject to business and  
11 occupation taxation.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04  
13 RCW to read as follows:

14 (1) An exemption from the taxes imposed in this chapter is  
15 provided for:

16 (a) Producers, with respect to environmental handling charges  
17 added to the purchase price of mercury-containing lights either by  
18 the producer or a retailer pursuant to an agreement with the  
19 producer;

1 (b) Retailers, with respect to environmental handling charges  
2 added to the purchase price of mercury-containing lights sold at  
3 retail, including the portion of environmental handling charges  
4 retained as reimbursement for any costs associated with the  
5 collection and remittance of the charges; and

6 (c) Stewardship organizations, with respect to environmental  
7 handling charges received from producers and retailers.

8 (2) This section is not subject to the requirements of RCW  
9 82.32.805 and 82.32.808.

10 (3) For purposes of this section, the definitions in RCW  
11 70.275.020 apply.

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