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HOUSE BILL 1710

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State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Springer, Walsh, Sells, Chandler, Morris, and Kagi

Read first time 02/06/13. Referred to Committee on Finance.

1            AN ACT Relating to the taxation of commuter air carriers; amending  
2 RCW 84.12.200, 82.48.010, and 82.48.030; adding a new section to  
3 chapter 84.36 RCW; and providing an effective date.

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

5            **Sec. 1.** RCW 84.12.200 and 1998 c 335 s 1 are each amended to read  
6 as follows:

7            (~~For the purposes of this chapter and unless otherwise required by~~  
8 ~~the context:~~) The definitions in this section apply throughout this  
9 chapter unless the context clearly requires otherwise.

10            (1) "Department" without other designation means the department of  
11 revenue of the state of Washington.

12            (2) "Railroad company" means and includes any person owning or  
13 operating a railroad, street railway, suburban railroad or interurban  
14 railroad in this state, whether its line of railroad be maintained at  
15 the surface, or above or below the surface of the earth, or by whatever  
16 power its vehicles are transported; or owning any station, depot,  
17 terminal or bridge for railroad purposes, as owner, lessee or  
18 otherwise.

1 (3)(a) "Airplane company" means and includes any person owning,  
2 controlling, operating or managing real or personal property, used or  
3 to be used for or in connection with or to facilitate the conveyance  
4 and transportation of persons and/or property by aircraft, and engaged  
5 in the business of transporting persons and/or property for  
6 compensation, as owner, lessee or otherwise.

7 (b) "Airplane company" does not include a "commuter air carrier" as  
8 defined in RCW 82.48.010, whose ground property and equipment is  
9 located primarily on privately held real property.

10 (4) "Electric light and power company" means and includes any  
11 person owning, controlling, operating or managing real or personal  
12 property, used or to be used for or in connection with or to facilitate  
13 the generation, transmission or distribution of electricity in this  
14 state, and engaged in the business of furnishing, transmitting,  
15 distributing or generating electrical energy for light, heat or power  
16 for compensation as owner, lessee or otherwise.

17 (5) "Telegraph company" means and includes any person owning,  
18 controlling, operating or managing any telegraph or cable line in this  
19 state, with appliances for the transmission of messages, and engaged in  
20 the business of furnishing telegraph service for compensation, as  
21 owner, lessee or otherwise.

22 (6) "Telephone company" means and includes any person owning,  
23 controlling, operating or managing real or personal property, used or  
24 to be used for or in connection with or to facilitate the transmission  
25 of communication by telephone in this state through owned or controlled  
26 exchanges and/or switchboards, and engaged in the business of  
27 furnishing telephonic communication for compensation as owner, lessee  
28 or otherwise.

29 (7) "Gas company" means and includes any person owning,  
30 controlling, operating or managing real or personal property, used or  
31 to be used for or in connection with or to facilitate the manufacture,  
32 transportation, or distribution of natural or manufactured gas in this  
33 state, and engaged for compensation in the business of furnishing gas  
34 for light, heat, power or other use, as owner, lessee or otherwise.

35 (8) "Pipe line company" means and includes any person owning,  
36 controlling, operating or managing real or personal property, used or  
37 to be used for or in connection with or to facilitate the conveyance or

1 transportation of oils, natural or manufactured gas and/or other  
2 substances, except water, by pipe line in this state, and engaged in  
3 such business for compensation, as owner, lessee or otherwise.

4 (9) "Logging railroad company" means and includes any person  
5 owning, controlling, operating or managing real or personal property,  
6 used or to be used for or in connection with or to facilitate the  
7 conveyance and transportation of forest products by rail in this state,  
8 and engaged in the business of transporting forest products either as  
9 private carrier or carrier for hire.

10 (10) "Person" means and includes any individual, firm,  
11 copartnership, joint venture, association, corporation, trust, or any  
12 other group acting as a unit, whether mutual, cooperative or otherwise,  
13 and/or trustees or receivers appointed by any court.

14 (11) "Company" means and includes any railroad company, airplane  
15 company, electric light and power company, telegraph company, telephone  
16 company, gas company, pipe line company, or logging railroad company;  
17 and the term "companies" means and includes all of such companies.

18 (12) "Operating property" means and includes all property, real and  
19 personal, owned by any company, or held by it as occupant, lessee or  
20 otherwise, including all franchises and lands, buildings, rights-of-  
21 way, water powers, motor vehicles, wagons, horses, aircraft,  
22 aerodromes, hangars, office furniture, water mains, gas mains, pipe  
23 lines, pumping stations, tanks, tank farms, holders, reservoirs,  
24 telephone lines, telegraph lines, transmission and distribution lines,  
25 dams, generating plants, poles, wires, cables, conduits, switch boards,  
26 devices, appliances, instruments, equipment, machinery, landing slips,  
27 docks, roadbeds, tracks, terminals, rolling stock equipment,  
28 appurtenances and all other property of a like or different kind,  
29 situate within the state of Washington, used by the company in the  
30 conduct of its operations; and, in case of personal property used  
31 partly within and partly without the state, it means and includes a  
32 proportion of such personal property to be determined as in this  
33 chapter provided.

34 (13) "Nonoperating property" means all physical property owned by  
35 any company, other than that used during the preceding calendar year in  
36 the conduct of its operations. It includes all lands and/or buildings  
37 wholly used by any person other than the owning company. In cases  
38 where lands and/or buildings are used partially by the owning company

1 in the conduct of its operations and partially by any other person not  
2 assessable under this chapter under lease, sublease, or other form of  
3 tenancy, the operating and nonoperating property of the company whose  
4 property is assessed (~~hereunder shall~~) under this section must be  
5 determined by the department of revenue in such manner as will, in its  
6 judgment, secure the separate valuation of such operating and  
7 nonoperating property upon a fair and equitable basis. The amount of  
8 operating revenue received from tenants or occupants of property of the  
9 owning company (~~shall~~) may not be considered material in determining  
10 the classification of such property.

11 **Sec. 2.** RCW 82.48.010 and 1995 c 318 s 4 are each amended to read  
12 as follows:

13 (~~For the purposes of this chapter, unless otherwise required by~~  
14 ~~the context:~~) The definitions in this section apply throughout this  
15 chapter unless the context clearly requires otherwise.

16 (1) "Aircraft" means any weight-carrying device or structure for  
17 navigation of the air which is designed to be supported by the  
18 air(~~+~~).

19 (2) "Secretary" means the secretary of transportation(~~+~~).

20 (3) "Person" includes a firm, partnership, limited liability  
21 company, or corporation(~~+~~).

22 (4) "Small multi-engine fixed wing" means any piston-driven multi-  
23 engine fixed wing aircraft with a maximum gross weight as listed by the  
24 manufacturer of less than seventy-five hundred pounds(~~+~~and).

25 (5) "Large multi-engine fixed wing" means any piston-driven multi-  
26 engine fixed wing aircraft with a maximum gross weight as listed by the  
27 manufacturer of seventy-five hundred pounds or more.

28 (6) "Commuter air carrier" means an air carrier holding authority  
29 under Title 14, Part 298 of the code of federal regulations that  
30 carries passengers on at least five round trips per week on at least  
31 one route between two or more points according to its published flight  
32 schedules that specify the times, days of the week, and places between  
33 which those flights are performed.

34 **Sec. 3.** RCW 82.48.030 and 1983 2nd ex.s. c 3 s 22 are each amended  
35 to read as follows:

1           (1)(a) Except as otherwise provided in (b) of this subsection, the  
2 amount of the tax imposed by this chapter for each calendar year  
3 (~~shall be~~) is as follows:

Type of aircraft	Registration fee
Single engine fixed wing	\$ 50
Small multi-engine fixed wing	65
Large multi-engine fixed wing	80
Turboprop multi-engine fixed wing	100
Turbojet multi-engine fixed wing	125
Helicopter	75
Sailplane	20
Lighter than air	20
Home built	20

14           **(b) The amount of tax imposed by this chapter for each calendar**  
15 **year with respect to aircraft owned and operated by a commuter air**  
16 **carrier that is not an airplane company as defined in RCW 84.12.200 is**  
17 **as follows:**

<u>Gross maximum take-off</u> <u>weight of the aircraft</u>	<u>Registration fee</u>
<u>Less than 4,001 lbs.</u>	<u>\$500</u>
<u>4,001-6,000 lbs.</u>	<u>\$1,000</u>
<u>6,001-8,000 lbs.</u>	<u>\$2,000</u>
<u>8,001-9,000 lbs.</u>	<u>\$3,000</u>
<u>9,001-12,500 lbs.</u>	<u>\$4,000</u>

25           (2)(a) The amount of tax imposed under subsection (1) of this  
26 section for each calendar year (~~shall~~) must be divided into twelve  
27 parts corresponding to the months of the calendar year and the excise  
28 tax upon an aircraft registered for the first time in this state after  
29 the last day of any month (~~shall~~) may only be levied for the  
30 remaining months of the calendar year including the month in which the  
31 aircraft is being registered(~~:- PROVIDED, That~~). However, the  
32 minimum amount payable (~~shall be~~) is three dollars.

1        (b) An aircraft (~~(shall be)~~) is deemed registered for the first  
2 time in this state when such aircraft was not previously registered by  
3 this state for the year immediately preceding the year in which  
4 application for registration is made.

5        NEW SECTION.    **Sec. 4.** A new section is added to chapter 84.36 RCW  
6 to read as follows:

7        (1) An aircraft owned and operated by a commuter air carrier in  
8 respect to which the tax imposed under RCW 82.48.030 has been paid for  
9 a calendar year is exempt from property taxation for that calendar  
10 year.

11        (2) For the purposes of this section, "aircraft" and "commuter air  
12 carrier" have the same meanings as provided in RCW 82.48.010.

13        NEW SECTION.    **Sec. 5.** This act takes effect January 1, 2014.

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