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SENATE BILL 6486

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State of Washington

63rd Legislature

2014 Regular Session

By Senators Bailey, Baumgartner, and Angel

1 AN ACT Relating to creating a sales tax holiday for school  
2 instructional material for higher education students; adding new  
3 sections to chapter 82.08 RCW; adding a new section to chapter 82.12  
4 RCW; and providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW  
7 to read as follows:

8 (1) The legislature finds that many Washington students pursuing  
9 higher education face a growing financial burden. The recent rise in  
10 tuition rates and downturn in the economy make attending higher  
11 education even more financially difficult for students. The  
12 legislature further finds that Washington has gone from subsidizing  
13 two-thirds of a student's tuition to subsidizing just over one-third.  
14 The difference has caused many students to rely heavily on educational  
15 debt. Giving Washington higher education students a sales tax holiday  
16 on instructional materials would help relieve some of the financial  
17 burden of today's higher education costs. Therefore, it is the  
18 legislature's intention to create a sales tax holiday for school  
19 instructional material.

1 (2) It is the intent of this legislation to provide a sales tax  
2 holiday on school instructional material for the purpose described  
3 under RCW 82.32.808(2)(e). The legislature further intends to review  
4 the tax exemption and its actual fiscal impact on state revenues to  
5 determine if the fiscal impact to state revenues reasonably conforms to  
6 the fiscal estimate in the fiscal note for this legislation.

7 (3) The provisions of this sales tax holiday are to be administered  
8 consistent with section 322 of the streamlined sales and use tax  
9 agreement, as amended on October 30, 2013.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW  
11 to read as follows:

12 (1) Subject to the conditions and limitations provided in this  
13 section, the tax levied by RCW 82.08.020 does not apply to sales of  
14 school instructional material for personal or nonbusiness use.

15 (2) The exemption authorized in this section only applies to  
16 purchases made on the second adjacent Friday, Saturday, and Sunday in  
17 August and the third adjacent Friday, Saturday, and Sunday in  
18 September.

19 (3) For sellers who electronically file their taxes, the department  
20 must provide a separate tax reporting line for exemption amounts  
21 claimed under this section.

22 (4) For the purposes of this section, "school instructional  
23 material" means any written material commonly used by a student in a  
24 course of study as a reference and to learn the subject being taught,  
25 including reference books, reference maps and globes, textbooks, and  
26 workbooks.

27 (5) Nothing in this section requires the seller to make tax exempt  
28 retail sales of school instructional material during the time periods  
29 provided in subsection (2) of this section. A seller may choose to  
30 make sales of school instructional material during these time periods,  
31 collect the sales tax, and remit the amount of sales tax collected to  
32 the state as otherwise provided by law.

33 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW  
34 to read as follows:

35 (1) The provisions of this chapter do not apply to the personal or  
36 nonbusiness use of school instructional material.

1           (2) The definitions, conditions, and limitations in section 2 of  
2 this act apply to this section.

3           NEW SECTION.   **Sec. 4.** This act expires July 1, 2019.

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