
HOUSE BILL 2356

State of Washington 52nd Legislature 1992 Regular Session

By Representatives Heavey, Moyer, Franklin, Dorn, Sheldon, Leonard and Sprenkle

Read first time 01/15/92. Referred to Committees on Commerce & Labor/Revenue.

1 AN ACT Relating to funding alcohol awareness programming; amending
2 RCW 66.24.210, 66.24.290, 82.08.150, 66.08.026, and 82.08.160; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** The Washington state liquor control
6 board is charged with the responsibility of controlling the
7 manufacture, distribution, sale, and consumption of alcoholic
8 beverages. As a part of that responsibility, the legislature deems it
9 appropriate for the board to conduct an aggressive public awareness
10 campaign directed toward youth under the legal drinking age of twenty-
11 one years to discourage consumption of alcoholic beverages.

12 **Sec. 2.** RCW 66.24.210 and 1991 c 192 s 3 are each amended to read
13 as follows:

1 (1) There is hereby imposed upon all wines sold to wine wholesalers
2 and the Washington state liquor control board, within the state a tax
3 at the rate of twenty and one-fourth cents per liter: PROVIDED,
4 HOWEVER, That wine sold or shipped in bulk from one winery to another
5 winery shall not be subject to such tax. The tax provided for in this
6 section may, if so prescribed by the board, be collected by means of
7 stamps to be furnished by the board, or by direct payments based on
8 wine purchased by wine wholesalers. Every person purchasing wine under
9 the provisions of this section shall on or before the twentieth day of
10 each month report to the board all purchases during the preceding
11 calendar month in such manner and upon such forms as may be prescribed
12 by the board, and with such report shall pay the tax due from the
13 purchases covered by such report unless the same has previously been
14 paid. Any such purchaser of wine whose applicable tax payment is not
15 postmarked by the twentieth day following the month of purchase will be
16 assessed a penalty at the rate of two percent a month or fraction
17 thereof. If this tax be collected by means of stamps, every such
18 person shall procure from the board revenue stamps representing the tax
19 in such form as the board shall prescribe and shall affix the same to
20 the package or container in such manner and in such denomination as
21 required by the board and shall cancel the same prior to the delivery
22 of the package or container containing the wine to the purchaser. If
23 the tax is not collected by means of stamps, the board may require that
24 every such person shall execute to and file with the board a bond to be
25 approved by the board, in such amount as the board may fix, securing
26 the payment of the tax. If any such person fails to pay the tax when
27 due, the board may forthwith suspend or cancel the license until all
28 taxes are paid.

29 (2) An additional tax is imposed equal to the rate specified in RCW
30 82.02.030 multiplied by the tax payable under subsection (1) of this

1 section. All revenues collected during any month from this additional
2 tax shall be transferred to the state general fund by the twenty-fifth
3 day of the following month.

4 (3) An additional tax is imposed on wines subject to tax under
5 subsection (1) of this section, at the rate of one-fourth of one cent
6 per liter for wine sold after June 30, 1987. Such additional tax shall
7 cease to be imposed on July 1, 1993. All revenues collected under this
8 subsection (3) shall be disbursed quarterly to the Washington wine
9 commission for use in carrying out the purposes of chapter 15.88 RCW.

10 (4) Until July 1, 1995, an additional tax is imposed on all wine
11 subject to tax under subsection (1) of this section. The additional
12 tax is equal to twenty-three and forty-four one-hundredths cents per
13 liter on fortified wine as defined in RCW 66.04.010(34) when bottled or
14 packaged by the manufacturer and one cent per liter on all other wine.
15 All revenues collected during any month from this additional tax shall
16 be deposited in the drug enforcement and education account under RCW
17 69.50.520 by the twenty-fifth day of the following month.

18 (5) An additional tax of one cent per gallon, which for
19 administrative purposes is \$.00264 per liter, is imposed upon each sale
20 of wine in the original package with all revenues generated by this tax
21 to be used by the board for alcohol awareness programming directed
22 toward persons under the legal drinking age of twenty-one years.

23 **Sec. 3.** RCW 66.24.290 and 1989 c 271 s 502 are each amended to
24 read as follows:

25 (1) Any brewer or beer wholesaler licensed under this title may
26 sell and deliver beer to holders of authorized licenses direct, but to
27 no other person, other than the board; and every such brewer or beer
28 wholesaler shall report all sales to the board monthly, pursuant to the
29 regulations, and shall pay to the board as an added tax for the

1 privilege of manufacturing and selling the beer within the state a tax
2 of two dollars and sixty cents per barrel of thirty-one gallons on
3 sales to licensees within the state and on sales to licensees within
4 the state of bottled and canned beer shall pay a tax computed in
5 gallons at the rate of two dollars and sixty cents per barrel of
6 thirty-one gallons. Any brewer or beer wholesaler whose applicable tax
7 payment is not postmarked by the twentieth day following the month of
8 sale will be assessed a penalty at the rate of two percent per month or
9 fraction thereof. Each such brewer or wholesaler shall procure from
10 the board revenue stamps representing such tax in form prescribed by
11 the board and shall affix the same to the barrel or package in such
12 manner and in such denominations as required by the board, and shall
13 cancel the same prior to commencing delivery from his place of business
14 or warehouse of such barrels or packages. Beer shall be sold by
15 brewers and wholesalers in sealed barrels or packages. The revenue
16 stamps herein provided for need not be affixed and canceled in the
17 making of resales of barrels or packages already taxed by the
18 affixation and cancellation of stamps as provided in this section.

19 (2) An additional tax is imposed equal to the rate specified in RCW
20 82.02.030 multiplied by the tax payable under subsection (1) of this
21 section. All revenues collected during any month from this additional
22 tax shall be transferred to the state general fund by the twenty-fifth
23 day of the following month.

24 (3) Until July 1, 1995, an additional tax is imposed on all beer
25 subject to tax under subsection (1) of this section. The additional
26 tax is equal to two dollars per barrel of thirty-one gallons. All
27 revenues collected during any month from this additional tax shall be
28 deposited in the drug enforcement and education account under RCW
29 69.50.520 by the twenty-fifth day of the following month.

1 (4) The tax imposed under this section shall not apply to "strong
2 beer" as defined in this title.

3 (5) An additional tax of one cent per gallon is imposed upon each
4 sale of beer in the original package with all revenues generated by
5 this tax to be used by the board for alcohol awareness programming
6 directed toward persons under the legal drinking age of twenty-one
7 years.

8 **Sec. 4.** RCW 82.08.150 and 1989 c 271 s 503 are each amended to
9 read as follows:

10 (1) There is levied and shall be collected a tax upon each retail
11 sale of spirits, or strong beer in the original package at the rate of
12 fifteen percent of the selling price. The tax imposed in this
13 subsection shall apply to all such sales including sales by the
14 Washington state liquor stores and agencies, but excluding sales to
15 class H licensees.

16 (2) There is levied and shall be collected a tax upon each sale of
17 spirits, or strong beer in the original package at the rate of ten
18 percent of the selling price on sales by Washington state liquor stores
19 and agencies to class H licensees.

20 (3) There is levied and shall be collected an additional tax upon
21 each retail sale of spirits in the original package at the rate of one
22 dollar and seventy-two cents per liter. The additional tax imposed in
23 this subsection shall apply to all such sales including sales by
24 Washington state liquor stores and agencies, and including sales to
25 class H licensees.

26 (4) An additional tax is imposed equal to the rate specified in RCW
27 82.02.030 multiplied by the taxes payable under subsections (1), (2),
28 and (3) of this section.

1 (5) Until July 1, 1995, an additional tax is imposed upon each
2 retail sale of spirits in the original package at the rate of seven
3 cents per liter. The additional tax imposed in this subsection shall
4 apply to all such sales including sales by Washington state liquor
5 stores and agencies, and including sales to class H licensees. All
6 revenues collected during any month from this additional tax shall be
7 deposited in the drug enforcement and education account under RCW
8 69.50.520 by the twenty-fifth day of the following month.

9 (6) An additional tax of one cent per gallon, which for
10 administrative purposes is \$.00264 per liter, is imposed upon each sale
11 of spirits in the original package with all revenues generated by this
12 tax to be used by the board for alcohol awareness programming directed
13 toward persons under the legal drinking age of twenty-one years. The
14 revenue collected under this subsection shall be deposited in the
15 liquor revolving fund.

16 (7) The tax imposed in RCW 82.08.020, as now or hereafter amended,
17 shall not apply to sales of spirits or strong beer in the original
18 package.

19 ~~((+7))~~ (8) The taxes imposed in this section shall be paid by the
20 buyer to the seller, and each seller shall collect from the buyer the
21 full amount of the tax payable in respect to each taxable sale under
22 this section. The taxes required by this section to be collected by
23 the seller shall be stated separately from the selling price and for
24 purposes of determining the tax due from the buyer to the seller, it
25 shall be conclusively presumed that the selling price quoted in any
26 price list does not include the taxes imposed by this section.

27 ~~((+8))~~ (9) As used in this section, the terms, "spirits," "strong
28 beer," and "package" shall have the meaning ascribed to them in chapter
29 66.04 RCW.

1 **Sec. 5.** RCW 66.08.026 and 1983 c 160 s 2 are each amended to read
2 as follows:

3 All administrative expenses of the board incurred on and after
4 April 1, 1963 shall be appropriated and paid from the liquor revolving
5 fund. These administrative expenses shall include, but not be limited
6 to: The salaries and expenses of the board and its employees, the cost
7 of establishing, leasing, maintaining, and operating state liquor
8 stores and warehouses, legal services, annual or other audits, and
9 other general costs of conducting the business of the board. The
10 administrative expenses shall not, however, be deemed to include costs
11 of liquor and lottery tickets purchased, the cost of transportation and
12 delivery to the point of distribution, other costs pertaining to the
13 acquisition and receipt of liquor and lottery tickets, packaging and
14 repackaging of liquor, sales tax, and those amounts distributed
15 pursuant to RCW 66.08.180, 66.08.190, 66.08.200, 66.08.210 and
16 66.08.220. However, the amount of tax collected under RCW
17 66.24.210(5), 66.24.290(5), and 82.08.150(6) shall be available,
18 without further appropriation, for the board to use for alcohol
19 awareness programs directed toward youth under the legal drinking age
20 of twenty-one years.

21 **Sec. 6.** RCW 82.08.160 and 1982 1st ex.s. c 35 s 4 are each amended
22 to read as follows:

23 On or before the twenty-fifth day of each month, all taxes
24 collected under RCW 82.08.150 during the preceding month shall be
25 remitted to the state department of revenue, to be deposited with the
26 state treasurer, except as otherwise provided. Upon receipt of such
27 moneys the state treasurer shall credit sixty-five percent of the sums
28 collected and remitted under RCW 82.08.150 (1) and (2) and one hundred
29 percent of the sums collected and remitted under RCW 82.08.150 (3) and

1 (4) to the state general fund and thirty-five percent of the sums
2 collected and remitted under RCW 82.08.150 (1) and (2) to a fund which
3 is hereby created to be known as the "liquor excise tax fund." The tax
4 collected under RCW 82.08.150(6) shall remain in the liquor revolving
5 fund for the board's use in alcohol awareness programming.