

Proposed taxes

Here are the three proposals for raising taxes as part of a plan to fill a \$2.8 billion hole in the state budget.

Gov. Chris Gregoire

Revised budget Feb. 17

Total new and expanded taxes **\$605 million**, including:

TOBACCO: \$1 extra per pack on cigarettes, like amount on other products **(\$89 million)**

CANDY AND GUM: Add sales tax **(\$28 million)**

BOTTLED WATER: Place excise tax on wholesalers equal to 1 cent per ounce **(\$135 million)**

GASOLINE: Raise toxics tax from 0.7 percent to 2 percent, one of prime businesses affected is oil refining, could raise gas prices at the pump by 3 cents per gallon **(\$148 million)**

SODA: Place excise tax on carbonated beverages, 5 cents on 12 ounce bottle **(\$93.6 million)**

OUT-OF-STATE COMPANIES: Changing rules known as "nexus" to determine how much they pay **(\$73 million)**

SOURCES: Governor's office; House Democrats; Senate Democrats

NOTE: All of the figures are for this biennium, which ends June 30, 2011

Senate Democrats

Proposed budget Feb. 23

Total new and expanded taxes **\$918 million**, including:

TOBACCO: \$1 extra per pack, like amount on other products **(\$86 million)**

CONSUMER GOODS: Raise general sales tax on goods currently taxed by three-tenths of 1 percent **(\$313 million)**

FIRST MORTGAGES: Limits the deduction a financial institution can claim each year to \$100 million **(\$51.1 million)**

OUT-OF-STATE SHOPPERS: Requires them to pay sales tax on purchase, seek refund when they return home **(\$24 million)**

AIRPLANES: Changes excise tax to five-tenths of 1 percent **(\$6 million)**

FERTILIZERS: Changes tax exemptions for chemicals used in farming **(\$25 million)**

VEHICLE PURCHASES: Eliminates sales tax exemption for value of a trade-in when buying car or boat **(\$92 million)**

OUT-OF-STATE COMPANIES: Changes nexus rules that determine how much they pay **(\$73 million)**

House Democrats

Proposed budget March 1

Total new and expanded taxes **\$758 million**, including:

TOBACCO: \$1 extra per pack, expands tax to other products with nicotine **(\$112 million)**

CANDY AND GUM: Extends sales tax **(\$30.5 million)**

BOTTLED WATER: Extends sales tax **(\$30 million)**

AIRPLANES: Levies excise tax similar to what boat owners pay **(\$6.3 million)**

PROFESSIONAL SERVICES: Increases business tax on lawyers, accountants, marketing consultants by one-half percent **(\$21 million)**

CUSTOM SOFTWARE: Extends sales tax **(\$76.5 million)**

FACE LIFTS, TUMMY TUCKS: Extends sales tax to elective cosmetic surgery not covered by insurance **(\$7 million)**

OUT-OF-STATE SHOPPERS: Requires them to pay state sales tax, no rebate **(\$41.5 million)**

FIRST MORTGAGES: Limits deduction for a financial institution to first \$100 million **(\$67 million)**

OUT-OF-STATE COMPANIES: Changes nexus rules that determine how much they pay **(\$73 million)**

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