

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

|                                  |   |                                   |
|----------------------------------|---|-----------------------------------|
| In the Matter of Approving the   | ) | DOCKET NO. UT-040463              |
| Telecommunications Relay Service | ) |                                   |
| (TRS) Excise Tax.                | ) | ORDER NO. 02                      |
|                                  | ) |                                   |
|                                  | ) |                                   |
|                                  | ) | FIRST SUPPLEMENTAL ORDER          |
|                                  | ) | CLARIFYING THE COLLECTION AND     |
|                                  | ) | REMITTANCE OF THE TRS EXCISE TAX, |
|                                  | ) | PURSUANT TO AMENDED RCW           |
|                                  | ) | 43.20A.725                        |
| .....                            | ) |                                   |

**BACKGROUND**

1 The Washington Utilities and Transportation Commission (Commission), by order dated April 14, 2004, determined that the amount of the Telecommunications Relay Service (TRS) excise tax should remain at the current rate of fourteen cents (\$0.14) per switched access line and directed local exchange companies to remit the amounts collected to the Department of Social and Health Services. The supplemental order is issued to clarify that beginning July 1, 2004, local exchange companies shall collect the TRS excise tax and remit the amount to the Department of Revenue (DOR). The change results from changes in the administration of the TRS excise tax resulting from enactment of Chapter 254, Laws of 2004. These revisions are effective July 1, 2004.<sup>1</sup>

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<sup>1</sup> RCW 43.20A.725 was also amended to transfer the responsibility of establishing the TRS excise tax rate from the Commission to DOR. Beginning in 2005, DOR will determine the TRS excise tax rate, and will inform local exchange companies and the Commission of this rate no later than May 1<sup>st</sup> of each year.

## FINDINGS AND CONCLUSIONS

- 2 (1) RCW 43.20A.725 currently requires local exchange companies to collect and remit the TRS excise tax directly to the Department of Social and Health Services (DSHS) for service provided through June 30, 2004.
- 3 (2) RCW 43.20A.725 was amended in Chapter 254, Laws of 2004, transferring the responsibility for collecting the TRS excise tax from DSHS to DOR, effective July 1, 2004. Excise taxes collected for service provided on or after July 1, 2004 must be remitted to DOR.
- 4 (3) This matter was brought before the Commission at its regularly scheduled open meeting held on April 28, 2004.

## ORDER

### THE COMMISSION ORDERS:

- 5 Each local exchange company, including resellers, must separately identify the Telecommunications Relay Services excise tax on each ratepayer's bill; and must collect the excise tax in the amount of fourteen cents (\$0.14) per switched access line per month. Each local exchange company, including resellers, must remit to the Department of Social and Health Services the excise tax amount on service provided through June 30, 2004, and must remit to the Department of Revenue the excise tax amount for service provided on or after July 1, 2004.

The Commissioners, having determined the Order to be consistent with the public interest, directed the Secretary to enter the Order and related provisions.

DATED at Olympia, Washington, and effective this 28<sup>th</sup> day of April, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary