NO. 91072-3

SUPREME COURT OF THE STATE OF WASHINGTON

STEVEN KLEIN, INC., d/b/a KLEIN HONDA,

Petitioner,

v.

STATE OF WASHINGTON, DEPARTMENT OF REVENUE,

Respondent.

ANSWER TO PETITION FOR REVIEW

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I. INTRODUCTION

Washington's business and occupation ("B&O") tax is imposed "for the act or privilege of engaging in business activities" and applies to the gross income of the business. RCW 82.04.220. "Business" includes "*all* activities engaged in with the object of gain, benefit, or advantage to the taxpayer or to another person . . . ." RCW 82.04.140 (emphasis added). In this case, the Court of Appeals affirmed the decision of the Board of Tax Appeals that Klein Honda owes B&O tax on the "dealer cash" it receives from an automobile manufacturer in the course of its business. *Steven Klein, Inc. v. Dep't of Revenue*, ___ Wn. App. ___, 336 P.3d 663, 668 (2014).

The applicable B&O tax statutes are clear and unambiguous. Likewise, there is no dispute that Klein Honda received dealer cash while engaging in the business activities of operating an automobile dealership. Nonetheless, Klein Honda claims the Court of Appeals decision will "undermine" the B&O statutory scheme because it "directly conflicts" with a 1933 case distinguishing between taxes on income, treated as property taxes, and taxes on the privilege of engaging in business activities. *See State ex rel. Stiner v. Yelle*, 174 Wash. 402, 25 P.2d 91 (1933); Petition at 3, 12.

This Court should deny Klein Honda's petition. The Court of Appeals did not misunderstand or misrepresent the nature of the B&O tax or state any rule of law contrary to *Stiner*. Treating Klein Honda's earnings from dealer cash as subject to the B&O tax properly imposes tax on Klein Honda for the privilege of engaging in a business activity that is part of its automobile dealership.

II. IDENTITY OF RESPONDENT

Respondent is the State of Washington, Department of Revenue.

III. COUNTERSTATEMENT OF THE ISSUE

Under the applicable B&O tax statutes, are the dealer cash incentive payments Klein Honda receives from American Honda subject to B&O tax where Klein Honda receives the payments as part of its dealership business?

IV. COUNTERSTATEMENT OF THE CASE

A. Klein Honda's Automobile Dealership

Steve Klein, Inc., d/b/a Klein Honda, operates an automobile dealership in Everett, Washington. Klein Honda sells new and used Honda vehicles, parts and accessories, and provides maintenance and repair services. VTP 31. Klein Honda is an independent franchisee of American Honda Motor Co., Inc.

The Sales & Service Agreement between Klein Honda and American Honda grants to Klein Honda the right to purchase and resell Honda vehicles and other Honda products, to advertise itself as an authorized Honda dealer, and to use Honda trademarks in the advertising, promotion, sale, and servicing of Honda products. AR 314-15, ¶ 2. The Agreement also contains a list of models Klein Honda may sell, but it does not contain any specific sales goals, whether related to sales figures, specific models, or otherwise. AR 356.

When Klein Honda purchases a vehicle at wholesale, American Honda generates a vehicle invoice and a manufacturer's certificate of origin, documenting transfer of each new vehicle Klein Honda purchases, just before the factory ships the vehicle. AR 108. Klein Honda then sells the Honda vehicles to its customers. The retail sales price is a matter entirely left to the discretion of the dealer, although American Honda does provide a manufacturer's suggested retail price. AR 330, ¶ 17.6. Klein Honda pays B&O tax on the gross income received from the customer at the retailing rate and collects retail sales tax from the transaction. AR 23.

B. Dealer Cash Payments

American Honda created what it calls "incentive programs," including "dealer cash" programs. Under a dealer cash program, a dealer is entitled to receive a specified amount of cash for each sale it makes of a

particular Honda model to a retail customer during a specified time period. AR 99-101, VTP 61-62.

To announce a dealer cash program, American Honda issues "marketing bulletins" through its electronic network to authorized individuals at dealerships. AR 723-64. For example, a marketing bulletin from 2003 offered $1,000 in dealer cash to Honda dealers for each sale of a 2003 Honda Insight model during April through June 2003. AR 723. According to the marketing bulletins, the dealer cash programs are designed to stimulate sales of the identified models. AR 723, 727.

The marketing bulletins also provide substantial detail about which vehicles and vehicle sales qualify the dealer for the incentive payment, and what records dealers must keep and actions they must take to receive the incentive payment. For instance, dealers must conduct a self-audit at the end of each dealer cash incentive program and verify by signed affidavit that all listed vehicle sales meet the eligibility requirements for the award. AR 724, 728, 735, 741, 747, 752, 757, 762; AR 100-01.

Klein Honda's general manager, Tom Hunt, described the marketing bulletin as a "conditional offer," agreeing that marketing bulletins contain all the requirements that dealers must fulfill to receive the dealer cash. AR 152; VTP 61-62. According to Mr. Hunt, dealer cash is a way for American Honda to put more momentum behind a particular

vehicle model when, for instance, a competitor is offering customer rebates. VTP 50. The money is paid to dealers for the purpose of increasing the sales of a particular vehicle model. Similarly, Klein Honda's accounting expert recognized that dealer cash can help the dealer move the inventory by allowing the dealer to sell the vehicle for a price lower than it otherwise might have. AR 119-20. Owner Steve Klein confirmed that compensation received under dealer cash incentive programs was "after the fact" of Klein Honda's purchase of vehicles from American Honda. AR 109.

American Honda compensates dealers for making sales qualified for dealer cash by issuing a credit to the dealer's monthly balance forward statement. AR 724, 728, 731, 737, 744, 749, 755, 760, AR 103-05; AR 136-38; AR 777-78. The balance forward statement is a list of charges (e.g., purchased promotional materials, parts, and fees) and payments (e.g., holdbacks, sales awards, warranty service payments, and dealer cash) between Klein Honda and American Honda. AR 103, 133, 136-38. If the balance on the statement at the end of the month is positive, American Honda pays the dealership. AR 104. Klein Honda included dealer cash amounts in its federal tax returns, line 1a, "Gross receipts or sales." AR 287; *see, e.g.*, AR 643.

C. Procedural History

In October 2007, the Department assessed Klein Honda $16,963 in B&O taxes and interest on dealer cash credits Klein Honda received during the audit period, January 1, 2003, through December 31, 2006. AR 790-96. During that period, Klein Honda had received $1,037,450 in dealer cash from American Honda. AR 795. Klein Honda paid the assessment and petitioned the Department's Appeals Division for a refund. AR 4, 7, 780-81. Klein Honda argued that dealer cash represented a discount or reduction in Klein Honda's cost of purchasing the vehicles from American Honda, rather than income subject to B&O tax. AR 784-788. The Appeals Division upheld the assessment. AR 7, 780-789.

Klein Honda appealed to the Board of Tax Appeals, which affirmed the assessment. CP 92-101. The Board reasoned that dealer cash was an additional source of taxable gross income to Klein Honda and was not properly treated as a reduction in the wholesale price Klein Honda paid when it purchased vehicles from American Honda. CP 98-101.

Klein Honda sought judicial review of the Board's decision. CP 4-6, 81. Thurston County Superior Court Judge Christine Schaller affirmed the Board of Tax Appeals decision. CP 84-85. Klein Honda timely appealed the final order to Court of Appeals, Division Two, which subsequently transferred the case to Division One. CP 86.

On appeal, Klein Honda argued there is no separate business activity from selling the vehicle or that dealer cash is a bona fide discount on the wholesale price. The Court of Appeals disagreed, holding dealer cash was received in the course of doing business and did not reflect a discount on the wholesale price. *Steven Klein*, 336 P.3d at 667-68. Further, the Court held earning dealer cash was a discrete business activity beyond the mere retail sale of a vehicle. *Id.* at 667.[1] Accordingly, the income was properly taxable under the catch-all classification for business activities not otherwise identified explicitly in another section. *Id.*

V. REASONS WHY THE COURT SHOULD DENY REVIEW

The Court of Appeals (and the Superior Court and Board of Tax Appeals before it) correctly applied the unambiguous statutes to the evidence in the record in this case to hold that Klein Honda's earnings from dealer cash are subject to B&O tax under the catch-all "other business activities" classification in RCW 82.04.290(2). Nothing about the decision is remarkable.

Klein Honda seeks review under RAP 13.4(b)(1), arguing that the Court of Appeals decision conflicts with two 1933 cases. One held that a graduated income tax violated the uniformity requirements of the

[1] The dissenting judge expressed a different opinion. She viewed earning dealer cash as merely making sales to customers and stated that "[b]y moving inventory, Klein Honda did not engage in a business activity other than selling cars at retail." *Steven Klein*, 336 P.3d at 670 (Becker, J. dissenting in part).

Washington Constitution, article VII, section 1, and the other held that Washington's first B&O tax was constitutional as an excise tax imposed on the privilege of engaging in business. *See Culliton v. Chase*, 174 Wash. 363, 25 P.2d 81 (1933); *State ex rel. Stiner v. Yelle*, 174 Wash. 402, 25 P.2d 91 (1933). Klein Honda also argues that this Court should accept review because the Court of Appeals decision raises an issue of substantial public interest by imposing tax in the absence of a "discrete" business activity, thus unlawfully imposing the B&O tax directly on income instead of a business activity. *See* RAP 13.4(b)(4).

Klein Honda's arguments are confusing, and the reason is that Klein Honda relies on false premises. The first false premise is that earning dealer cash involves no business activity "separate" or "discrete" from Klein Honda's retailing activity of selling cars to customers. *See* Pet. at 1, 6, 10-11. This proposition is directly contradicted by evidence in the record. The second false premise builds on the first. Klein Honda argues that because its "only activity is retailing," to impose B&O tax on dealer cash earnings amounts to a direct tax on gross income, contrary to *Stiner*. *See* Pet. at 1, 4-5, 11. In other words, Klein Honda implies that imposing B&O tax on dealer cash is unconstitutional. Klein Honda's third false premise is that the Board and the Court of Appeals "held" that the B&O tax is a tax on income rather than a tax on business activity. *See* Pet. at

3, 9. Neither the Board nor the Court of Appeals made any such holding. Klein Honda's arguments do not establish a basis for this Court's review.

A. Earning Dealer Cash Is A Business Activity Subject To B&O Tax Under The Other Business Activities Classification.

To understand why Klein Honda's arguments lack merit, a quick review of the B&O tax scheme and how the Court of Appeals applied it in this case is helpful. The Court of Appeals correctly held that Klein Honda's earnings from dealer cash are subject to the B&O tax under the other business activities classification in RCW 82.04.290(2).

1. Klein Honda's business activity of earning dealer cash is subject to B&O tax.

The Legislature imposes the tax "as a tax for the act or privilege of engaging in business activities." RCW 82.04.220(1). This Court has recognized that the Legislature "intended to impose the business and occupation tax upon virtually all business activities carried on within the state." *Simpson Inv. Co. v. Dep't of Revenue*, 141 Wn.2d 139, 149, 3 P.3d 741 (2000) (quoting *Time Oil Co. v. State*, 79 Wn.2d 143, 146, 483 P.2d 628 (1971)). This principle is reflected in broad definitions. For instance, "engaging in business" means "commencing, conducting, or continuing in business." RCW 82.04.150. "Business," in turn, means "all activities engaged in with the object of gain, benefit, or advantage to the taxpayer or to another person or class, directly or indirectly." RCW 82.04.140.

During the period at issue, Klein Honda was "engaging in the business" of conducting a Honda automobile dealership. Its "business" included all those activities with the object of gain, benefit or advantage, for either the taxpayer or third-party. Dealer cash benefited both Klein Honda and American Honda. For example, in one dealer cash program, Klein Honda benefited by receiving a payment of $1,000 for each 2003 Honda insight it sold during a three-month period in 2003. Similarly, American Honda benefited by having its dealers move inventory off the lots through the increased ability to take certain competitive actions in the automotive market (i.e., lowering the retail price). AR 285, 727, VTP 50. Accordingly, the Court of Appeals properly held Klein Honda was subject to the B&O tax by engaging in business activities and that dealer cash was "connected to a business activity." *Steven Klein*, 336 P.3d at 667.

2. The catch-all rate for otherwise unspecified business activities in RCW 82.04.290(2) applies to Klein Honda's gross income from dealer cash.

The B&O tax rate varies by the nature of the business activity. *See* RCW 82.04.220(1) ("The tax is measured by the application of rates against the value of products, gross proceeds of sales, or gross income of the business, as the case may be"); *Time Oil*, 79 Wn.2d at 146 (the statute classifies various business activities "for purposes of applying and measuring the tax"). These include, among others, manufacturing (RCW

82.04.240), retailing (RCW 82.04.250), wholesaling (RCW 82.04.270), conducting horse races (RCW 82.04.286), providing day care (RCW 82.04.2905), and printing or publishing newspapers, magazines, and periodicals (RCW 82.04.280).

For business activities that do not fall within one of the specified classifications, the Legislature created a catch-all classification in RCW 82.04.290(2) for other business activities (commonly referred to as the "service and other" classification). This classification imposes a tax rate of 1.5 percent on the gross income of "*any business activity other than or in addition to* an activity taxed explicitly" under another section. RCW 82.04.290(2) (emphasis supplied).[2]

Earning dealer cash is one of those unspecified business activities that is "other than or in addition to" an activity taxed explicitly. *Id.* It is not mentioned in any of the classifications explicitly applying to specified

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[2] The measure of the tax, "gross income of the business," is broadly defined as:

> [T]he *value proceeding or accruing by reason of the transaction of the business engaged in* and includes gross proceeds of sales, compensation for the rendition of services, . . . interest, discount, rents, royalties, fees, commissions, dividends, *and other emoluments however designated*, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

RCW 82.04.080(1) (emphasis added). Likewise, RCW 82.04.090 defines "value proceeding or accruing" in pertinent part as "the consideration, whether money, credits, rights, or other property expressed in terms of money, actually received or accrued."

business activities and thus is "other than" those activities. Or, earning dealer cash is an activity "in addition to" other activities, like retailing. In either case, the privilege of earning dealer cash is taxable under the catch-all other business activities rate in RCW 82.04.290(2).[3] Accordingly, the Court of Appeals correctly applied RCW 82.04.290(2) to dealer cash, which it described as "a discrete activity beyond the mere retail sale of those vehicles." *Steven Klein*, 336 P.3d at 667.

It is undisputed that dealer cash is not subject to the "retailing" B&O tax classification because Klein Honda does not make a retail sale of the vehicle to American Honda. A "sale" is a transfer of the ownership or possession of property for valuable consideration under RCW 82.04.040, and "sales" of tangible personal property, including automobiles, are "sales at retail" unless purchased for resale or falling within other specified exclusions. RCW 82.04.050(1)(a). The purchaser owes retail sales tax on each retail sale, and the seller pays retailing B&O tax on its income from those sales. RCW 82.08.020(1); RCW 82.04.250(1). To earn dealer cash, Klein Honda does not transfer possession or ownership of vehicles *to* American Honda for consideration. Thus, Klein's

[3] Klein Honda does not dispute that if dealer cash is taxable under RCW 82.04.290(2), the payments represent its "gross income of the business" from engaging in that activity. *See* RCW 82.04.080 (including within definition "other emoluments however designated"); *Steven Klein*, 336 P.3d at 666 (discussing scope of definition).

transaction with American Honda is not a "sale at retail" subject to the retailing B&O tax rate. *See Steven Klein,* 336 P.3d at 666-67 & n.1.

3. Earning dealer cash is not the "same exact" business activity as making retail sales of vehicles.

Although Klein Honda agrees that income from dealer cash is not subject to the retailing B&O tax classification, Klein Honda nonetheless argues that earning dealer cash is the "same exact activity" as retailing and cannot be taxed under the other business activities classification in RCW 82.04.290(2). Pet. at 11. Under Klein Honda's "discrete activity" theory, dealer cash constitutes nothing more or different than retailing, but because it is not taxable under the retailing B&O classification, it cannot be taxed at all. Pet. at 10-11.

Klein Honda's argument disregards the entire B&O tax scheme, which is to tax all business activities, however described, unless a deduction or exemption applies. *Budget Rent-A-Car of Washington-Oregon, Inc. v. Dep't of Revenue*, 81 Wn.2d 171, 175, 500 P.2d 764 (1972); *Simpson*, 141 Wn.2d at 149 (*quoting Time Oil Co.*, 79 Wn.2d at 146); *Reynolds Metals Co. v. State*, 65 Wn.2d 882, 885, 400 P.2d 310 (1965) (while the B&O tax avoids imposing double or triple liability, the corollary of this principle is that each business activity is taxed once). Businesses may owe B&O tax under multiple tax classifications for

portions of their gross income if they engage in multiple business activities. RCW 82.04.440(1). As this Court has noted, "*each* business activity in which one is engaged is subject to the [B&O] tax, not just the *principal* business." *Air-Mac, Inc. v. State*, 78 Wn.2d 319, 323, 474 P.2d 261 (1970) (taxpayer liable for wholesaling B&O tax on certain occasional sales although its principal business was retailing) (emphasis in original).

Klein Honda's interpretation of the statutes would create non-statutory deductions for sources of business income not directly tied to providing services. This cannot be the Legislature's intent – the Legislature's broadly-worded catch-all classification for "*any* business activity" not otherwise specified would have little meaning if that were true. *Accord, TracFone Wireless, Inc. v. Dep't of Revenue*, 170 Wn.2d 273, 242 P.3d 810 (2010) (tax exemptions may not be created by implication).

Klein Honda's argument that dealer cash is the "exact same activity" as the retail sale also disregards the undisputed facts. Compare retail sale transactions with dealer cash transactions:

Retail Sale

- Transaction between purchaser and dealer.
- Initiated by consumer wishing to purchase a vehicle.
- Terms of contract negotiated through offers and counteroffers between purchaser and dealer until acceptance of price for vehicle.
- Sale may occur any time the dealer is open for business.

- Possession of vehicle transferred to purchaser for agreed price.

Dealer Cash

- Transaction between manufacturer (American Honda) and dealer.
- Initiated by manufacturer (American Honda) offering incentive program.
- Unilateral contract with offer by manufacturer (American Honda) in a marketing bulletin and acceptance by dealer's performance of selling a specific model of vehicle during a designated period of time and performing documentation requirements.
- Offer conditioned on events occurring during a specified window of time.
- No transfer of vehicle or other tangible personal property.

In fact, the only common event between retail sales of vehicles and dealer cash is the fact that a vehicle is sold to a customer. But this commonality does not erase the facts that the retail sales of vehicles are separate from dealer cash transactions, under separate contracts, and between different parties. Klein Honda's premise that earning dealer cash is the "same exact activity" as selling vehicles at retail is false.

B. The Court Of Appeals Decision Does Not Conflict With Prior Decisions Of This Court.

Based in part on the false premise that earning dealer cash is not a discrete, taxable business activity, Klein Honda seems to argue that imposing tax on dealer cash amounts to imposing tax on income, rather than on a business activity. Pet. at 10-11. This, according to Klein Honda, would render the tax a property tax in violation of the Washington Constitution's uniformity requirements. Pet. at 11. Klein Honda also

argues that the Court of Appeals "flatly denies" that the B&O tax is an excise tax, instead holding that it is "imposed on" gross revenue. Pet. at 9-10. Under either theory, Klein Honda argues that the Court of Appeals decision conflicts with this Court's 1933 decisions in *Culliton* and *Stiner*. Pet. 8-11. Klein Honda is incorrect.

The *Culliton* and *Stiner* decisions concerned the nature of two taxes: a graduated income tax and a tax on the privilege of doing business. A question in each case was whether the tax was a property tax or an excise tax. The distinction between a property tax and an excise tax is significant because the Washington State Constitution imposes the uniformity requirements under article VII, section 1, only on direct taxes, such as property taxes. *See In re Estate of Hambleton*, ___ Wn.2d ___, 335 P.3d 398, 403 (2014).

In *Culliton*, this Court struck down as unconstitutional a graduated income tax passed by initiative in 1932. Article VII, section 1, requires that taxes be uniform "upon the same class of property." It further defines "property" as including "everything, whether tangible or intangible, subject to ownership." The Court held that income is property under this definition, and thus an income tax is a property tax subject to the uniformity requirement. *Culliton,* 174 Wash. at 373-79. Accordingly, Washington's graduated income tax was unconstitutional because the tax

rates were not uniform. *Id.* at 374-75, 379.[4] The Court was careful to note that the tax at issue "can in no sense be said to be . . . upon corporate or business privileges . . . ." *Id.* at 378.

On the same day, the Court issued the decision in *Stiner*, which held that the 1933 tax on engaging in business in the state was an excise tax, not a property tax, and thus not subject to uniformity. *Stiner,* 174 Wash. at 407. Just like today's B&O tax, the 1933 tax was imposed on the privilege of engaging in business activities and measured by the application of various rates against gross income of the business, gross proceeds of sales, and other measures. *Id.* at 404-05. As the Court noted, "that the amount of the tax is measured by the amount of the income in no way affects the purpose of the act or the principle involved." *Id.* at 407. The lesson from these two 1933 cases is that a tax on the mere acquisition of income alone may invoke the uniformity requirement in article VII, section 1, but the privilege of acquiring income through business and commercial activities does not.

The Court of Appeals decision holds that Klein Honda's income from dealer cash is subject to the B&O tax. *Steven Klein*, 336 P.3d at 665-67. In doing so, it recognizes and discusses the nature of the tax (for the

[4] The Department agrees that *Culliton* might not be decided the same way if the question arose today. However, the possibility of revisiting the constitutionality of an income tax in the future has no bearing on how the B&O tax applies today to Klein Honda's gross income from earning dealer cash. *See* Pet. at 9, 12.

privilege of engaging in business activities), the broad scope of the tax (under various definitions), the measure of the tax (as set forth in classifications), and the reasons dealer cash is taxable. *Id.* Nothing in the decision creates a conflict with *Culliton* or *Stiner*.

Klein Honda claims the majority decision "flatly denies B&O Tax is an excise tax" by holding that "the tax is imposed on gross revenue." Pet. at 9-10. Klein Honda appears to be referencing this statement:

> Therefore, contrary to Klein Honda's argument, the B&O tax is not a tax only on specific enumerated business activities, but rather on 'the gross revenues received in the course of doing business.'

Steven Klein, 336 P.3d at 667 (quoting *Budget Rent-A-Car*, 81 Wn.2d at 173). In making this statement, the Court of Appeals was rejecting Klein Honda's "no discrete activity" argument. It is true that the Court of Appeals indicated the tax was "on" gross revenues, but so did this Court. *Budget Rent-A-Car*, 81 Wn.2d at 173.

Klein Honda misreads the Court of Appeals decision. It is common for courts, parties, and counsel to refer summarily to the B&O tax as a tax "on" gross income or gross receipts instead of using all the phrasing of RCW 82.04.220(1) by stating that the tax is for the privilege of engaging in business activities and measured by the gross income of the business. Given that the Court of Appeals laid out the B&O tax scheme

and the nature of the tax in the paragraphs before making the statement to which Klein Honda objects, it is unreasonable to assume the Court of Appeals intended to depart from statutes and case law in the wording it used. Klein Honda is merely nitpicking the Court of Appeals opinion.

Klein Honda also accuses the majority of confusing the imposition of the B&O tax on business activities with the measure of the tax. Pet. at 10. But the Court of Appeals decision presents no conflict with *Stiner*. *Stiner* held it was the privilege of engaging in business, "in a broad sense," that is the subject of the tax. *See Stiner*, 174 Wash. at 405-06. Specifically, the tax is imposed on "the privilege of engaging in business and gainful pursuits under the protection of our laws." *Id.* at 406. The Court of Appeals was consistent with *Stiner* when it found the tax was not a tax on a specific enumerated business activity, but on all business activities in the broad sense. *Steven Klein*, 336 P.3d at 667.

C. Taxation Of Klein Honda's Dealer Cash Is Not An Issue Of Substantial Public Interest.

The Court of Appeals decision represents a straightforward application of unambiguous statutes to the question of whether one of Klein Honda's sources of income is subject to the B&O tax. Whether dealer cash is taxable, and how the tax should be measured, does not present an issue of substantial public interest.

Nothing in the Court of Appeals decision upsets or undermines the B&O tax scheme. It is Klein Honda that seeks to upset the B&O tax scheme, by "import[ing] an exemption into the tax statutes where none now exists." *Time Oil*, 79 Wn.2d at 147. Three tribunals have already rejected Klein Honda's interpretation of the B&O tax scheme, and this Court should too, by declining to accept review.

VI. CONCLUSION

For the foregoing reasons, this Court should deny Klein Honda's petition for review.

RESPECTFULLY SUBMITTED this 16th day of January, 2015.

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I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 16th day of January, 2015, at Tumwater, WA.

Carrie A. Parker

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Importance: High

Attached for filing is the Department of Revenue's Answer to Petition for Review.

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