

# Chapter 22

## Solid Waste Collection

## 82.18.010(3) - Hazardous or toxic waste

**Description** The disposal of hazardous and toxic waste is exempt from the solid waste collection tax.

**Purpose** To recognize that hazardous and toxic waste is not “solid waste,” which is defined as garbage, trash, rubbish, or other material discarded as worthless or not economically viable for further use. Toxic wastes require special services.

**Taxpayer savings** (\$ in millions):

|             | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-------------|---------|---------|---------|---------|
| State Taxes | \$0.161 | \$0.171 | \$0.181 | \$0.192 |
| Local Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

**Repeal of exemption** Repealing this exemption would increase revenues.

**Potential revenue gains from full repeal** (\$ in millions):

|             | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-------------|---------|---------|---------|---------|
| State Taxes | \$0.000 | \$0.157 | \$0.181 | \$0.192 |
| Local Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

**Assumptions**

- This repeal takes effect July 1, 2024, and impacts 11 months of collections in fiscal year 2025.
- Growth rate is 6%, based on a historical average to reflect industry trends.
- Of the total statewide waste generated, 1.7% is hazardous and toxic waste.
- Taxpayers properly exempt hazardous and toxic wastes from the solid waste collection tax.

**Data Sources**

- Department of Revenue, Excise tax data
- Department of Ecology, Hazardous waste data

**Additional Information**

| Additional Information        |  |
|-------------------------------|--|
| <b>Category:</b>              | Business   |
| <b>Year Enacted:</b>          | 1986   |
| <b>Primary Beneficiaries:</b> | Hazardous waste collection businesses and the public |
| <b>Taxpayer Count:</b>        | 60   |
| <b>Program Inconsistency:</b> | None evident   |
| <b>JLARC Review:</b>          | Expedited review scheduled in 2026                   |

## 82.18.010(3) - Recycling or salvage materials

**Description** Materials collected primarily for recycling or salvage are exempt from the solid waste collection tax.

**Purpose** To recognize that recycled and salvaged materials are not “solid waste,” which is defined as garbage, trash, rubbish, or other material discarded as worthless or not economically viable for further use.

**Taxpayer savings**

*(\$ in millions):*

|             | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-------------|---------|---------|---------|---------|
| State Taxes | \$4.608 | \$4.884 | \$5.177 | \$5.488 |
| Local Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

**Repeal of exemption**

Repealing this exemption would increase revenues.

**Potential revenue gains from full repeal**

*(\$ in millions):*

|             | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-------------|---------|---------|---------|---------|
| State Taxes | \$0.000 | \$4.477 | \$5.177 | \$5.488 |
| Local Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

**Assumptions**

- This repeal takes effect July 1, 2024, and impacts 11 months of collections in fiscal year 2025.
- Growth rate is 6%, based on a historical average to reflect industry trends.
- Of the total solid waste generated in Washington, 48.5% are recyclables and salvage materials.
- Taxpayers properly exempt recyclables and salvage materials from the solid waste collection tax.

**Data Sources**

- Department of Revenue, Excise tax data
- Department of Ecology, Solid waste data

**Additional Information**

| Additional Information        |  |
|-------------------------------|--|
| <b>Category:</b>              | Business   |
| <b>Year Enacted:</b>          | 1986   |
| <b>Primary Beneficiaries:</b> | Solid waste collection businesses and the public |
| <b>Taxpayer Count:</b>        | 60   |
| <b>Program Inconsistency:</b> | None evident                                     |
| <b>JLARC Review:</b>          | Expedited review completed in 2016 and 2023      |

## 82.18.050 - Refuse service for federal government

**Description** Garbage collection service provided to the federal government is exempt from the solid waste collection tax.

**Purpose** To reflect the prohibition against taxing the federal government.

**Taxpayer savings** *(\$ in millions):*

|             | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-------------|---------|---------|---------|---------|
| State Taxes | CTI     | CTI     | CTI     | CTI     |
| Local Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

**Repeal of exemption** Repealing this exemption would not increase revenues because federal law prohibits taxing the federal government.

**Potential revenue gains from full repeal** *(\$ in millions):*

|             | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-------------|---------|---------|---------|---------|
| State Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Local Taxes | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

**Assumptions** - Collecting tax revenue would be unconstitutional, and there would be no revenue gain.

**Data Sources** - Department of Revenue, Excise tax data  
- Department of Ecology, Disposed waste data

**Additional Information**

| Additional Information        |                                      |
|-------------------------------|--------------------------------------|
| <b>Category:</b>              | Government                           |
| <b>Year Enacted:</b>          | 1986                                 |
| <b>Primary Beneficiaries:</b> | The U.S. government and its agencies |
| <b>Taxpayer Count:</b>        | Fewer than three                     |
| <b>Program Inconsistency:</b> | None evident                         |
| <b>JLARC Review:</b>          | No review completed                  |

## 82.18.060 - Using services of another solid waste collection business

**Description** Any solid waste collection business using the services of another solid waste collection business for the transfer, storage, processing, or disposal of the waste collected during the transaction is exempt from the solid waste collection tax.

**Purpose** To prevent pyramiding and multiple taxation of a single transaction.

**Taxpayer savings** (\$ in millions):

|             | FY 2024  | FY 2025  | FY 2026  | FY 2027  |
|-------------|----------|----------|----------|----------|
| State Taxes | \$16.569 | \$18.057 | \$19.679 | \$21.446 |
| Local Taxes | \$0.000  | \$0.000  | \$0.000  | \$0.000  |

**Repeal of exemption** Repealing this exemption would increase revenues; however, it could result in multiple taxation of a single transaction.

**Potential revenue gains from full repeal** (\$ in millions):

|             | FY 2024 | FY 2025  | FY 2026  | FY 2027  |
|-------------|---------|----------|----------|----------|
| State Taxes | \$0.000 | \$16.552 | \$19.679 | \$21.446 |
| Local Taxes | \$0.000 | \$0.000  | \$0.000  | \$0.000  |

**Assumptions**

- This repeal takes effect July 1, 2024, and impacts 11 months of collections in fiscal year 2025.
- Growth rate is 9%, which reflects the average historical growth rate of the solid waste collection industry.

**Data Sources**

- Department of Revenue, Excise tax data

**Additional Information**

| Additional Information        |                                   |
|-------------------------------|-----------------------------------|
| <b>Category:</b>              | Business                          |
| <b>Year Enacted:</b>          | 1986                              |
| <b>Primary Beneficiaries:</b> | Solid waste collection businesses |
| <b>Taxpayer Count:</b>        | 50                                |
| <b>Program Inconsistency:</b> | None evident                      |
| <b>JLARC Review:</b>          | No review completed               |