



WCCFA

WASHINGTON CEMETERY, CREMATION
& FUNERAL ASSOCIATION

THE *Insider* Newsletter

News for Death Care Professionals

Spring 2019

DeathCon 2019

LNH Case Study

Meet Our Board
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Excise Tax Advisory

Featured:

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26th Annual Spring
Conference

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WA 1st State to Allow
Composting of
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DC #DEATHCON 2019

POWERED BY WSFDA-WCCFA

August 14th, 15th and 16th

Mark your calendar and book your rooms now for #DeathCon 2019 to be held at Icicle Village Inn and Resort www.iciclevillage.com in beautiful and historic Leavenworth Washington! Use #DeathCon 2019 for special group rate.



Golf Tournament on Wednesday August 14th at 10:00 am! Modified start with prizes for ‘Closest to the Pin’ men/women and ‘Longest Drive’ men/women. Cost is 95.00 per player and includes lunch.

Not a golfer? Sign up for a day hike with Quiring President/General Manager Jon Reece and his wife Kathy. Or, head in to town for shopping, wine tasting or just to enjoy beautiful downtown Leavenworth.

Join us on the patio Wednesday night for Supplier Night! Complete with Happy Hour and 18-hole miniature golf with supplier sponsored prizes/gifts.

This year's event will be hosting;

- Undertaking the Podcast; streaming live throughout the event.
- Lisa Meehan from Lake Washington will also be presenting
- Eli Stromer is joining us to discuss Alkaline Hydrolysis.
- Also presenting is Emily Albrecht.
- Presentations for both cemetery and funeral homes from Doug Flin of CPRA
- Mark Wagar and Erica Minton with Washington State Department of Labor and Industries will also be presenting for both cemetery and funeral home track
- Closing banquet to be held Friday night with key note speaker, John Herrington.

Register now at; www.wsfda.org. or www.wccfa.org

WCCFA/WSFDA Member pricing \$395 | WCCFA/WSFDA Member + Golf \$490

Non-Member \$495 | Non-Member + Golf \$590 Visit our sites for special discounts, single day or golf only rates and to learn more about our new Vendor or Sponsor opportunities.

WCCFA's 26th Annual Spring Conference

Wednesday, March 6, 2019
8:00 AM 3:30 PM



Thank you for joining us at our 26th Annual Spring Conference! "How to Thrive Where Death and Innovation Meet" Did you attend the conference and want your CEU Certificate? Great! [Click here](#) to complete the evaluation survey. Our Joint Conference qualified for 4.45 CEU's. Complete the survey, and your certificate will then be emailed to you.

WCCFA values excellence, and we'd like to hear your thoughts and ways to improve. Please complete our evaluation survey by [clicking here](#).

Again, thank you for your participation!

Thank you to our Event Sponsors:



Welcome to Our Newest Board Members

**Ron Swanson**

Einans at Sunset
915 By-Pass Highway
Richland, WA 99352
(509) 943-1114
ron@einansatsunset.com

Term Dates: 2019

**Billie Hoerner**

Fairmount Memorial Association
PO Box 9797
Spokane, WA 99209
(509) 326-6813
bhoerner@fairmountmemorial.com

Term Dates: 2018 - 2019

**Candace Aramburu**

Fairmount Memorial Association
PO Box 9797
Spokane, WA 99209
(509) 326-6813
caramburu@fairmountmemorial.com

Term Dates: 2018-2019

Meet Our Board Members



Ron Swanson was born in Washington State but, as an infant, he moved to Florida. There he was raised and introduced into the Funeral industry by chance. In 2006, a friend offered him an opportunity to start as a transfer technician and funeral service assistant in a small firm. Ron decided to take a chance by accepting the job offer and, in doing so, found his passion and career calling. After working a few years in the Funeral industry, his passion for touching lives, serving people in a time of need, and his interest in the scientific aspect of funeral care inspired him to seek and obtain his Associates Degree of Applied Science specializing in Mortuary Science. Ron became a Licensed Funeral Director and Embalmer with complete Apprenticeship in 2013.

Eventually, Ron relocated to his birth town of Richland, Washington in December of 2013. After walking into the first and only funeral home he checked out in the area; Einar's at Sunset, he knew instantly it was where he wanted to be. He applied for and secured a job as a Licensed Funeral Director at this innovative and inspiring firm in January of 2014. Ron has since grown and flourished with this Firm, accepting the position of Assistant Manager in 2015. Ron believes in continued learning and continues to expand his experience and knowledge. Since 2015, he has furthered his education, become a Celebrant, and obtained his Pre-needs license. However, his focus remains serving families and the community as a Funeral Director and Embalmer. Ron loves to give grieving individuals support, compassion, and closure while providing services that are individualistic and personally honor the life of their deceased loved one. Ron says, "I feel privileged to have had some amazing mentors early in my career that inspired me to hold myself and others in this industry to the highest of standards".

When Ron is not working, you can find him spending time with his wife of 20 years, Michelle, his 18 year old son Nathan, and his 17 year old daughter Kylee. Working in this profession has been rewarding for Ron and has taught him above all else to value every moment because no one is guaranteed the next breath. Ron says, "My wife and I formed a habit a long time ago within our little family of never saying good bye or good night without saying I love you and since our kids have grown up around this profession, they too realize death is a part of life and it is so important to embrace and love those closest to you while they are still here to feel and know your love. Death is never easy and this profession isn't one that everyone is cut out for, but I feel honored and blessed to be a part of it. I believe whole heartedly that we who are privileged to work in the funeral industry must fight to keep compassion, personalized people focused care, and sensitivity at the center of what we do every day to secure the integrity and future of this profession. Every life has value and we all contribute something to the world through the life we live and the memories and legacies we leave behind in death."

WA is 1st State to Allow Composting of Human Bodies

By: GENE JOHNSON, Associated Press

Posted: May 21, 2019 12:38 PM PDT Updated: May 21, 2019 12:38 PM PDT SEATTLE (AP) - Ashes to ashes, guts to dirt.

Gov. Jay Inslee signed legislation Tuesday making Washington the first state to approve composting as an alternative to burying or cremating human remains.

It allows licensed facilities to offer "natural organic reduction," which turns a body, mixed with substances such as wood chips and straw, into about two wheelbarrows' worth of soil in a span of several weeks.

Loved ones are allowed to keep the soil to spread the same way they might spread the ashes of someone who has been cremated.

Supporters say it's more environmentally friendly than embalming or cremation, and it makes sense in cities where land for burials is scarce.

The law takes effect in May 2020.



Excise Tax Advisory

Excise Tax Advisory: Taxability of Cemetery Endowment Care Funds

You may recall that in November 2015 the Department adopted revisions to Washington Administrative Code (WAC) 458-20-153 titled: Funeral Establishments, and WAC 458-20-154 titled: Cemeteries, crematories, columbaria. During the rule making process, the Department received feedback from WCCFA, WSFDA, and the Funeral & Cemetery Board concerning the tax treatment of cemetery endowment care funds, and as a result, the Department agreed to adopt the rules without including guidance on that topic.

However, at the time of adoption, the Department advised the WCCFA, WSFDA, and the Funeral & Cemetery Board that the matter would later be addressed in the form of an interpretive statement, giving interested stakeholders additional time to weigh in on the Department's interpretation of the taxability of revenue from such funds.

The Department of Revenue has completed a draft Excise Tax Advisory (ETA) to address the taxability of cemetery endowment care funds. We have included it in our newsletter to get your feedback.

The WCCFA is in contact with the Department of Revenue and in the process of setting a stakeholder meeting. We will need YOUR voice heard at this meeting. WCCFA will be sending out an invite to all members once this meeting day and time have been set. Please be on the lookout for this in your in-box.

Sincerely,
WCCFA Board of Directors



Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

ETA 3XXX.20XX

Issue Date: , 20XX

THIS DRAFT ETA IS TO BE USED SOLELY FOR DISCUSSION PURPOSES. UNDER NO CIRCUMSTANCES IS THIS DRAFT ETA TO BE USED TO DETERMINE TAX LIABILITY OR ELIGIBILITY FOR A TAX DEDUCTION, EXEMPTION, OR CREDIT.

Taxability of Cemetery Endowment Care Funds

Purpose

This Excise Tax Advisory (ETA) addresses the taxability of cemetery endowment care fees received from customers of a cemetery authority on sales of interment rights (e.g., graves, niches, or crypts). This ETA also addresses the taxability of investment income generated by the endowment care fund for use in maintaining the cemetery grounds.

This ETA does not address the taxability of prearrangement trust funds. For information on this and related topics, see WAC 458-20-153 *Funeral establishments* and WAC 458-20-154 *Cemeteries, crematories, columbaria*.

Definitions

For purposes of this ETA, the following definitions apply:

- "Cemetery authority" means an entity that has obtained a certificate of authority to operate a cemetery from the funeral and cemetery board, or any other entity that operates a cemetery that is not under the jurisdiction of the funeral and cemetery board. RCW 68.04.190.
- "Endowment care" or "endowed care" includes special care funds and all funds held for or represented as maintenance funds. RCW 68.05.030.

Background

Licensed cemeteries and funeral homes ("cemetery authorities") are required to establish and maintain an endowment care fund, unless exempt under RCW 68.40.095 or 68.40.100.

To request this document in an alternate format, visit <http://dor.wa.gov> and click on "contact us" or call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

General tax information is available on our website at dor.wa.gov.

Questions? Complete the online form at dor.wa.gov/communications or call 800-647-7706. If you want a binding ruling from the Department, complete the form at dor.wa.gov/rulings.

Pursuant to RCW 68.40.010, a cemetery authority is required to deposit ten percent of the gross sales price of an interment right, such as a grave, niche, or crypt, into an endowment care fund. If a cemetery authority sells an interment right at a price that is less than its current list price, or gives away, bequeaths, or otherwise gives title to an interment right, it must still deposit an amount into the endowment care fund at the rate at which the interment right would normally be endowed.

Under RCW 68.44.170, the income from the endowment care fund is to be used solely for the general care, maintenance, and embellishment of the cemetery as determined by the cemetery authority.

Endowment Care Fees Subject to B&O Tax

WAC 98-12-030 requires a cemetery authority to separately identify the endowment care fee on the contract with the customer. A cemetery authority will invoice and collect from its customer the ten percent endowment fee on the gross sale of an interment right for deposit into an endowment care fund. In this regard, the cemetery authority passes its cost of doing business (i.e., the required ten percent endowment fee) to its customer and receives reimbursement from the customer for its business expenses related to the general maintenance and care of the cemetery grounds.

The payment of the endowment fee by the customer to the cemetery authority represents gross income to the cemetery authority under RCW 82.04.080.

The endowment fee is subject to the business and occupation (B&O) tax under the Service and Other Activities classification. The cemetery authority may not deduct endowment fees received from its customers from its gross income, as maintenance of the cemetery grounds is considered a cost of doing business to the cemetery authority.

Examples

The following examples identify a number of facts and then state a conclusion. These examples should only be used as a general guide. The tax results of other situations must be determined after a review of all the facts and circumstances.

In addition to illustrating the taxability of endowment care fees, the examples also provide general reporting instructions for sales of other products or services by cemeteries. Refer to WAC 458-20-153 and 458-20-154 for more information on the taxability of sales or products sold by cemeteries.

Example 1 (standard sale of interment right):

- **Facts:** Woodland Cemetery enters into an agreement with a customer for the sale of: a grave site (interment right), grave liner, grave marker, grave site installation services, and burial services. Woodland Cemetery provides the following invoice to the customer:

<i>Sample Invoice</i>	
Description	Charge
Grave Site	2,000
Grave Liner	1,000
Grave Marker	400
Grave Site Installation	800
Endowment Care Fee*	200
Burial Services	500
Total Charges	4,900

*Fee is based on the \$2,000 listed selling price of the grave site.

- **Result:** Woodland Cemetery is required to report its income from the sale as follows:
 - Report \$2,200 under the Retailing B&O tax classification and collect and remit retail sales tax for the sale of the grave liner, grave marker, and installation charges.
 - Report \$2,700 under the Service and Other Activities B&O tax classification for the sale of the grave, endowment care fee, and burial service.

Example 2 (sale of interment right less than current list price):

- **Facts:** Mighty Oaks Cemetery enters into an agreement with a customer for the sale of: a niche (interment right), urn, niche plaque, installation services, and memorial service. Mighty Oaks Cemetery offers the customer a reduced price for the interment of 75 percent off the current listed price of \$1,000. Mighty Oaks Cemetery provides the following invoice to the customer:

<i>Sample Invoice</i>	
Description	Charge
Niche (List Price)	1,000
<i>Less: Discount on Niche</i>	<i>(750)</i>
Endowment Care Fee*	100
Urn	50

Niche Plaque	150
Installation	100
Memorial Service	500
Total Charges	1,150

*Fee is based on the \$1,000 listed selling price of the niche.

- **Result:** Mighty Oaks Cemetery is required to report its income from the sale as follows:
 - Report \$300 under the Retailing B&O tax classification and collect and remit retail sales tax for the sale of the urn, niche plaque, and installation services.
 - Report \$850 under the Service and Other Activities B&O tax classification for the sale of the niche, endowment care fee, and memorial service.

Example 3 (interment right gifted):

- **Facts:** Willow Creek Cemetery enters into an agreement with a customer for the sale of: a grave liner, grave marker, vase, and grave site installation services. Willow Creek Cemetery gifts a grave site (interment right) and burial services to the customer. The current listed price for a similar grave is \$2,000. Willow Creek Cemetery provides the following invoice to the customer:

<i>Sample Invoice</i>	
Description	Charge
Grave Site (List Price)	2,000
<i>Less: Discount on Grave Site</i>	(2,000)
Endowment Care Fee*	200
Grave Liner	900
Grave Marker	500
Vase	200
Grave Site Installation	700
Burial Services	500
<i>Less: Discount on Burial Services</i>	(500)

Total Charges	2,500.00
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**Fee is based on the \$2,000 listed selling price of the grave site.*

- **Result:** Willow Creek Cemetery is required to report its income from the sale as follows:
 - Report \$2,300 under the Retailing B&O tax classification and collect and remit retail sales tax for the sale of the grave liner, grave marker, vase, and installation charges.
 - Report \$200 under the Service and Other Activities B&O tax classification for the endowment care fee.

Investment Income from a Cemetery Endowment Care Fund

A cemetery authority may use investment income generated by the endowment care fund to provide for the general maintenance and care of the cemetery grounds.

RCW 82.04.4282 provides a deduction for amounts derived from bona fide endowment funds. Therefore, the investment income generated by and withdrawn from the endowment care fund is not taxable income to the cemetery authority.

In accordance with RCW 82.04.050, the purchase of materials and contracted labor for the maintenance and care of cemetery grounds by a cemetery authority is subject to retail sales tax.

Example 4 (use of investment income from a cemetery endowment care fund):

- **Facts:** Harvest Home Cemetery needs to re-sod a portion of its cemetery grounds. Harvest Home receives \$2,000 from the accumulated interest in its cemetery endowment care fund account, and purchases \$1,000 of sod and pays \$1,000 to a contract landscaper to install the sod.
- **Result:** Harvest Home Cemetery's reporting obligations are as follows:
 - Report \$2,000 under the Service and Other Activities B&O tax classification and take a deduction for the full \$2,000, resulting in no B&O tax due. Harvest Home Cemetery is not subject to B&O tax on the \$2,000 of interest income generated by the endowment care fund.
 - Pay retail sales tax on its purchase of sod and landscaping services.

LNH Case Study

Denver Robinson ACL Recipient



Denver Robinson was raised to value hard work and to give her all in everything she does. As a high-school student, that work ethic shines through. Denver plays basketball and softball and is a leader both on her school's student council and in the classroom.

Two weeks before basketball tryouts in 2017, Denver tore her ACL when rebounding the ball. The injury meant she had to miss both the basketball and softball seasons while recovering from surgery. Her doctor recommended using donated tissue to repair Denver's damaged ligament, and today, she is working toward a full recovery.

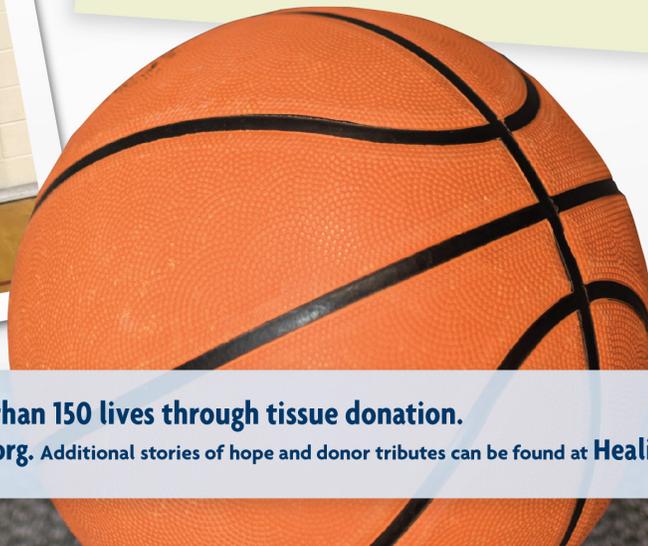
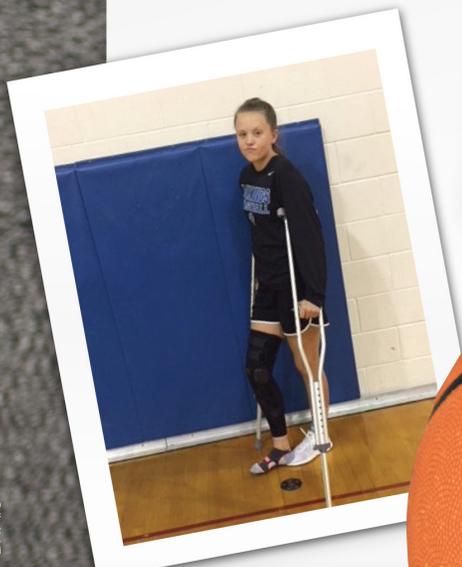
Denver's family, who fondly calls her "Rae Rae," describes her as their "clown," a bubbly young woman who can make anyone's day better. While her injury required some temporary lifestyle adjustments, Denver remains optimistic and is grateful for the opportunity to continue to play the sports she's passionate about once she heals. Her attitude is guided by her favorite quote, "What doesn't challenge you, won't change you!"

Denver said the process of receiving tissue donation has taught her a lot about herself and helped her to grow. Now, she dreams of pursuing a career in athletic training to help athletes prevent injuries and stay healthy.

Denver thanks her donor and donor family for helping put her on the road to recovery with their generous gift.

"I am so grateful for tissue donation. I wouldn't be able to heal and play again without it."

—Denver Robinson, tissue recipient



One donor can enhance more than 150 lives through tissue donation.

For more details, visit LifeNetHealth.org. Additional stories of hope and donor tributes can be found at HealingTheSpirit.org.



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