

## **Judge grants injunction blocking new tax on RYO smoke shops**

*JUNE 26, 2012 @ 12:05AM | THE KPBJ*

A Franklin County Superior Court judge has agreed to a preliminary injunction request from plaintiffs who filed a lawsuit against the state over a law that would impose new taxes on tobacco shops where customers roll their own cigarettes in bulk.

Judge Bruce A. Spanner indicated at Monday's preliminary hearing in Pasco that he regards House Bill 2565 - which the Legislature passed earlier this year — as being subject to the two-thirds approval for tax increases as required by voter-approved Initiative 1053, according to plaintiffs' attorney Chris Weiss of Seattle.

The lawsuit was filed against the state, the Department of Revenue and the Liquor Control Board to challenge HB 2565, which was passed with two-thirds approval in the House but not in the state Senate.

The plaintiffs are Dana Henne of Franklin County; 1/2 Price Smokes, Inc., an independent tobacco retailer in Benton County; and RYO Machine, LLC, a company that makes bulk cigarette-rolling machines. The plaintiffs are required to post a \$200,000 bond for the injunction to be issued, Weiss said. The law was scheduled to go into effect July 1.

There are currently 65 small, independent RYO tobacco stores — including stores in Bremerton, Silverdale and Port Orchard — that employ approximately 250 individuals across the state of Washington. The RYO Coalition of Washington supports the efforts of the plaintiffs in this case to promote small businesses and their employees throughout the state.

[http://kpbj.com/business\\_daily/2012-06-26/judge\\_grants\\_injunction\\_blocking\\_new\\_tax\\_on\\_ryo\\_smoke\\_shops](http://kpbj.com/business_daily/2012-06-26/judge_grants_injunction_blocking_new_tax_on_ryo_smoke_shops)