

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
FOR SKAGIT COUNTY

WHATCOM COUNTY, a charter county  
and political subdivision of the State of  
Washington and THE CITY OF  
BELLINGHAM, a municipal corporation  
and political subdivision of the State of  
Washington,

Plaintiffs,

v.

THE STATE OF WASHINGTON, a  
sovereign state of the United States, and the  
WASHINGTON STATE DEPARTMENT  
OF REVENUE and CINDI L.  
HOLMSTROM, DIRECTOR, in her  
official capacity,

Defendants,

BEST BUY STORES, L.P., Et Al.

Interveners/Defendants.

No. 10-2-01216-1

ORDER GRANTING A PRELIMINARY  
INJUNCTION

This matter having come before the Court upon the motion of the Plaintiffs, City  
of Bellingham ("City"), and Whatcom County ("County") for an order and granting a  
preliminary injunction, the Court having heard argument of counsel for the parties, and

1 having considered the pleadings and evidence filed in this case, including, but not limited  
2 to:

- 3 1. Complaint and supporting exhibits;
- 4 2. Motion for Temporary Restraining Order;
- 5 3. Memorandum in Support of Temporary Restraining Order;
- 6 4. Declarations and Affidavits filed in Support of the Temporary Restraining  
7 Order and Preliminary Injunction;
- 8 5. Defendants' Response to Plaintiffs' Motion for Preliminary Injunction and  
9 Order to Show Cause; and
- 10 6. Plaintiffs' Memorandum of Law in Response to Defendants' Response to  
11 Plaintiffs' Motion for Preliminary Injunction and Order to Show Cause.
- 12 7. Motion to Intervene, Supporting Declarations, and Memo In Support of  
13 Intervention;
- 14 8. Interveners Opposition to Plaintiff's Request for Preliminary Injunction.

15 The Court, having reviewed all materials submitted in support thereof and finding  
16 that Plaintiffs, City and County, could suffer irreparable harm if an order is not entered  
17 granting the preliminary injunction pending a full hearing on the merits of the declaratory  
18 judgment and permanent injunction, and finding further that based on the evidence  
19 submitted, the Plaintiffs have established a clear, equitable and legal right to relief, have a  
20 well-grounded fear of invasion of that right by the State of Washington, Department of  
21 Revenue, and its Director, Cindi L. Holmstrom, in her official capacity, and the loss of tax  
22 revenue is resulting in actual, ongoing and substantial injury to the Plaintiffs; and being  
23 fully advised in the premises, IT IS NOW THEREFORE,

24 IT IS HEREBY ORDERED, AGREED, AND DECREED that the Motion or  
25 Preliminary Injunction is granted and that Defendants State of Washington, Department  
26 of Revenue, its Director, Cindi L. Holmstrom, in her official capacity, jointly,  
27 individually, and collectively are immediately restrained and directed as follows:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1. To issue an Excise Tax Advisory to retailers that until the final determination of this action, that retailers should NOT grant the sales tax exemption to residents of British Columbia, Nova Scotia, New Brunswick, Newfoundland and Labrador, Ontario, and Quebec, Canada.
2. To update the Department of Revenue website press release and instructions to retailers to reflect that no retail sales tax exemptions should be given by retailers to the residents of British Columbia, Nova Scotia, New Brunswick, Newfoundland and Labrador, Ontario, and Quebec, Canada until final determination in this litigation..

DATED this 16 day of July, 2010.

Judge/Commissioner

Presented by:

CITY OF BELLINGHAM

WHATCOM COUNTY

Joan Hoisington, WSBA #7966  
Bellingham City Attorney

David McEachran, WSBA #2496  
Whatcom County Prosecuting Attorney

*Copy received;  
notice of presentation waived.*

  

Assistant Attorney General  
Attorney for State Defendants

  

ATTORNEY FOR  
INTERVENOR/DEFENDANTS