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HOUSE BILL 2990

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State of Washington

64th Legislature

2016 Regular Session

By Representatives Peterson, Robinson, Farrell, Gregerson, Bergquist, Riccelli, Jenkins, Pollet, Kuderer, Stanford, Ryu, Frame, Tharinger, Moscoso, Cody, Sells, Appleton, Reykdal, Ortiz-Self, Wylie, Hudgins, S. Hunt, Kagi, Van De Wege, Moeller, Tarleton, Senn, Walkinshaw, and Ormsby

1 AN ACT Relating to improving the fairness of Washington's tax  
2 system by narrowing the use tax exemption for extracted fuel;  
3 amending RCW 82.12.0263; adding a new section to chapter 82.12 RCW;  
4 adding a new section to chapter 82.32 RCW; and adding a new section  
5 to chapter 43.135 RCW.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 82.12.0263 and 1980 c 37 s 62 are each amended to  
8 read as follows:

9 The provisions of this chapter (~~shall~~) do not apply in respect  
10 to the use of biomass fuel by the extractor or manufacturer thereof  
11 when used directly in the operation of the particular extractive  
12 operation or manufacturing plant which produced or manufactured the  
13 same. For purposes of this section, "biomass fuel" means wood waste  
14 and other wood residuals, including forest derived biomass, but does  
15 not include firewood or wood pellets. "Biomass fuel" also includes  
16 partially organic by-products of pulp, paper, and wood manufacturing  
17 processes.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12  
19 RCW to read as follows:

1       The value of the article used with respect to refinery fuel gas  
2 under this chapter is the most recent monthly United States natural  
3 gas wellhead price, as published by the federal energy information  
4 administration.

5       NEW SECTION.   **Sec. 3.**   A new section is added to chapter 82.32  
6 RCW to read as follows:

7       (1) By the last workday of the second and fourth calendar  
8 quarters, the state treasurer must transfer the amount specified in  
9 subsection (2) of this section from the general fund to the education  
10 legacy trust account. The first transfer under this subsection (1)  
11 must occur by December 31, 2016.

12       (2) By December 15th and by June 15th of each year, the  
13 department must estimate the increase in state general fund revenues  
14 from the changes made under sections 1 and 2 of this act for the  
15 current and prior calendar quarters and notify the state treasurer of  
16 the increase.

17       NEW SECTION.   **Sec. 4.**   A new section is added to chapter 43.135  
18 RCW to read as follows:

19       RCW 43.135.034(4) does not apply to the transfers under section 3  
20 of this act.

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