

CERTIFICATION OF ENROLLMENT

HOUSE BILL 2290

54th Legislature
1996 Regular Session

Passed by the House March 7, 1996
Yeas 98 Nays 0

**Speaker of the
House of Representatives**

Passed by the Senate March 7, 1996
Yeas 49 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2290** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 2290

AS AMENDED BY THE SENATE

Passed Legislature - 1996 Regular Session

State of Washington 54th Legislature 1996 Regular Session

By Representatives Honeyford, Patterson, Lisk, Clements, Hankins,
B. Thomas, Mulliken, McMahan, Thompson, Hargrove and Boldt

Read first time 01/09/96. Referred to Committee on Finance.

1 AN ACT Relating to exempting construction of wind energy and solar
2 electric generating facilities from sales and use tax; adding a new
3 section to chapter 82.08 RCW; adding a new section to chapter 82.12
4 RCW; providing an effective date; and providing expiration dates.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW
7 to read as follows:

8 (1) The tax levied by RCW 82.08.020 shall not apply to sales of
9 machinery and equipment used directly in generating electricity using
10 the wind or sun energy as the principal source of power, or to sales of
11 or charges made for labor and services rendered in respect to
12 installing such machinery and equipment, but only if the purchaser
13 develops with such machinery, equipment, and labor a facility capable
14 of generating not less than two hundred kilowatts of electricity and
15 provides the seller with an exemption certificate in a form and manner
16 prescribed by the department by rule, and the purchaser provides the
17 department with a duplicate of the certificate or a summary of exempt
18 sales as the department may require. The seller shall retain a copy of
19 the certificate for the seller's files.

1 (2) For purposes of this section and section 2 of this act:

2 (a) "Machinery and equipment" means industrial fixtures, devices,
3 and support facilities that are integral and necessary to the
4 generation of electricity using the wind or sun energy as the principal
5 source of power;

6 (b) "Machinery and equipment" does not include: (i) Hand tools;
7 (ii) property with a useful life of less than one year; (iii) repair
8 parts required to restore machinery and equipment to normal working
9 order; (iv) replacement parts that do not increase productivity,
10 improve efficiency, or extend the useful life of machinery and
11 equipment; (v) buildings; or (vi) building fixtures that are not
12 integral and necessary to the generation of electricity that are
13 permanently affixed to and become a physical part of a building;

14 (c) Machinery and equipment is "used directly" in generating
15 electricity by wind or solar power if it provides any part of the
16 process that captures the energy of the wind or sun, converts that
17 energy to electricity, and transforms or transmits that electricity for
18 entry into electric transmission and distribution systems.

19 (3) This section expires June 30, 2005.

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

22 (1) The provisions of this chapter shall not apply with respect to
23 machinery and equipment used directly in generating not less than two
24 hundred kilowatts of electricity using the wind or sun as the principal
25 source of power, but only when the user provides the department with:

26 (a) An exemption certificate in a form and manner prescribed by the
27 department within sixty days of the first use of such machinery and
28 equipment in this state; or

29 (b) An annual summary listing the machinery and equipment by
30 January 31st of the year following the calendar year in which the
31 machinery and equipment is first used in this state.

32 (2) The definitions in section 1 of this act apply to this section.

33 (3) This section expires June 30, 2005.

34 NEW SECTION. **Sec. 3.** This act shall take effect July 1, 1996.

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