
HOUSE BILL 2994

State of Washington

55th Legislature

1998 Regular Session

By Representatives Skinner, Kenney, Tokuda, Veloria, Cody, Conway, Constantine, Cole and Ogden

Read first time 01/26/98. Referred to Committee on Finance.

1 AN ACT Relating to tax exemptions for federally qualified health
2 centers; amending RCW 82.04.4289; adding a new section to chapter 82.08
3 RCW; and adding a new section to chapter 82.12 RCW.

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

5 **Sec. 1.** RCW 82.04.4289 and 1993 c 492 s 305 are each amended to
6 read as follows:

7 This chapter does not apply to amounts derived as compensation for
8 services rendered to patients or from sales of prescription drugs as
9 defined in RCW 82.08.0281 furnished as an integral part of services
10 rendered to patients by a community and migrant health center, a kidney
11 dialysis facility operated as a nonprofit corporation, nursing homes,
12 and homes for unwed mothers operated as religious or charitable
13 organizations, but only if no part of the net earnings received by such
14 an institution inures directly or indirectly, to any person other than
15 the institution entitled to deduction hereunder.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW
17 to read as follows:

1 (1) The tax levied by RCW 82.08.020 does not apply to sales of
2 materials, labor, and services used in the construction of health care
3 facilities of a federally qualified health center.

4 (2) The tax levied by RCW 82.08.020 does not apply to sales of
5 medical equipment to a federally qualified health center, or to sales
6 of or charges made for labor and services rendered in respect to
7 installing, repairing, cleaning, altering, or improving the medical
8 equipment, or to sales of tangible personal property that becomes an
9 ingredient or component of the medical equipment during the course of
10 repairing, cleaning, altering, or improving the equipment.

11 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW
12 to read as follows:

13 (1) The provisions of this chapter do not apply with respect to the
14 use of materials and labor in the construction of health care
15 facilities of a federally qualified health center.

16 (2) The provisions of this chapter do not apply with respect to the
17 use of medical equipment by a federally qualified health center, or to
18 the use of tangible personal property that becomes an ingredient or
19 component of the medical equipment during the course of repairing,
20 cleaning, altering, or improving the equipment.

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