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HOUSE BILL 3055

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State of Washington                      55th Legislature                      1998 Regular Session

By Representatives Schoesler, Chandler, Linville, Sump, Doumit, Grant, Mulliken, Thompson, Sheahan, Dunn, Gardner and Morris

Read first time 01/28/98. Referred to Committee on Finance.

1            AN ACT Relating to tax relief for environmental burdens imposed  
2 upon agriculture; adding new sections to chapter 82.08 RCW; adding new  
3 sections to chapter 82.12 RCW; adding new sections to chapter 84.36  
4 RCW; 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 does not apply to sales of  
9 grass straw equipment and facilities, or to sales of labor and services  
10 rendered in respect to installing, constructing, repairing, cleaning,  
11 altering, decorating, or improving the equipment or facilities.

12            (2) When claiming an exemption under this section, the purchaser  
13 shall provide the seller with an exemption certificate in a form and  
14 manner prescribed by the department by rule. The seller shall retain  
15 a copy of the certificate for the seller's files.

16            (3) The definitions in this subsection apply for the purposes of  
17 this section.

18            (a) "Eligible" means used in respect to acreage that was in grass  
19 seed production at any time before May 1, 1996.

1 (b) "Grass straw equipment and facilities" means machinery,  
2 equipment, buildings, and structures used for gathering, densifying,  
3 processing, handling, storing, transporting, and incorporating grass  
4 straw or straw-based products, and includes equipment designed to burn  
5 stubble and remaining residue at high temperatures to reduce  
6 particulate pollution. The term includes tangible personal property  
7 that becomes an ingredient or component of the equipment or facilities,  
8 including repair parts and replacement parts. A building or structure  
9 is not excluded from this definition merely because it is used for  
10 occasional or incidental storage of other agricultural machinery,  
11 equipment, supplies, or products.

12 (4) This section expires January 1, 2005.

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

15 The provisions of this chapter do not apply with respect to the use  
16 of eligible grass straw equipment and facilities as defined in section  
17 1 of this act. This section expires January 1, 2005.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.36 RCW  
19 to read as follows:

20 (1) Personal property that is within the definition of eligible  
21 grass straw equipment and facilities under section 1 of this act is  
22 exempt from property taxation.

23 (2) A real property improvement that is within the definition of  
24 eligible grass straw equipment and facilities under section 1 of this  
25 act is exempt from property taxes for the six assessment years  
26 subsequent to completion of construction or installation of the  
27 improvement, if the construction or installation is completed before  
28 January 1, 2005.

29 (3) This section applies to taxes levied for collection in 1999  
30 through 2011. This section expires January 1, 2012.

31 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.08 RCW  
32 to read as follows:

33 (1) The tax levied by RCW 82.08.020 does not apply to sales of  
34 eligible dairy farm waste management equipment and facilities, or to  
35 sales of labor and services rendered in respect to installing,

1 constructing, repairing, cleaning, altering, decorating, or improving  
2 the equipment or facilities.

3 (2) When claiming an exemption under this section, the purchaser  
4 shall provide the seller with an exemption certificate in a form and  
5 manner prescribed by the department by rule. The seller shall retain  
6 a copy of the certificate for the seller's files.

7 (3) The definitions in this subsection apply for the purposes of  
8 this section.

9 (a) "Dairy farm waste management equipment and facilities" means  
10 machinery, equipment, buildings, and structures reasonably necessary to  
11 implement a dairy waste management plan developed under chapter 90.64  
12 RCW, including but not limited to agitators, alley scrapers, augers,  
13 dams, gutter cleaners, loaders, lagoons, pipes, pumps, separators, and  
14 tanks. The term includes tangible personal property that becomes an  
15 ingredient or component of the machinery, equipment, buildings, or  
16 structures, including repair parts and replacement parts. A building  
17 or structure is not excluded from this definition merely because it is  
18 used for occasional or incidental storage of other agricultural  
19 machinery, equipment, supplies, or products.

20 (b) "Eligible" means used by a person who is currently licensed to  
21 produce milk under chapter 15.36 RCW and was so licensed on January 1,  
22 1998.

23 (4) This section expires January 1, 2005.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.12 RCW  
25 to read as follows:

26 The provisions of this chapter do not apply with respect to the use  
27 of eligible dairy farm waste management equipment and facilities as  
28 defined in section 4 of this act. This section expires January 1,  
29 2005.

30 NEW SECTION. **Sec. 6.** A new section is added to chapter 84.36 RCW  
31 to read as follows:

32 (1) Personal property that is within the definition of eligible  
33 dairy farm waste management equipment and facilities under section 4 of  
34 this act is exempt from property taxation.

35 (2) A real property improvement that is within the definition of  
36 eligible dairy farm waste management equipment and facilities under  
37 section 4 of this act is exempt from property taxes for the six

1 assessment years subsequent to completion of construction or  
2 installation of the improvement, if the construction or installation is  
3 completed before January 1, 2005.

4 (3) This section applies to taxes levied for collection in 1999  
5 through 2011. This section expires January 1, 2012.

6 NEW SECTION. **Sec. 7.** 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 does not apply to sales of  
9 eligible barrier materials or eligible livestock equipment, or to sales  
10 of labor and services rendered in respect to installing, constructing,  
11 repairing, cleaning, altering, decorating, or improving the materials  
12 or equipment.

13 (2) When claiming an exemption under this section, the purchaser  
14 shall provide the seller with an exemption certificate in a form and  
15 manner prescribed by the department by rule. The seller shall retain  
16 a copy of the certificate for the seller's files.

17 (3) The definitions in this subsection apply for the purposes of  
18 this section.

19 (a) "Barrier material" means fencing, boulders, shrub thickets, and  
20 similar materials.

21 (b) "Eligible" means used solely for the purpose of preventing  
22 erosion of streambanks, destruction of streamside vegetation,  
23 degradation of water quality, or similar environmental impacts, by  
24 limiting livestock access to sensitive areas such as streams, lakes,  
25 and riparian areas.

26 (c) "Livestock equipment" means watering equipment, feeding  
27 equipment, feed storage facilities, animal waste handling equipment,  
28 and similar equipment.

29 (4) This section expires January 1, 2005.

30 NEW SECTION. **Sec. 8.** A new section is added to chapter 82.12 RCW  
31 to read as follows:

32 The provisions of this chapter do not apply with respect to the use  
33 of eligible barrier materials or eligible livestock equipment as  
34 defined in section 7 of this act. This section expires January 1,  
35 2005.

1        NEW SECTION.    **Sec. 9.**    A new section is added to chapter 84.36 RCW  
2 to read as follows:

3        (1) Personal property that is within the definition of eligible  
4 barrier materials or eligible livestock equipment under section 7 of  
5 this act is exempt from property taxation.

6        (2) A real property improvement that is within the definition of  
7 eligible barrier materials or eligible livestock equipment under  
8 section 7 of this act is exempt from property taxes for the six  
9 assessment years subsequent to completion of construction or  
10 installation of the improvement, if the construction or installation is  
11 completed before January 1, 2005.

12        (3) This section applies to taxes levied for collection in 1999  
13 through 2011. This section expires January 1, 2012.

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