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SENATE BILL 5193

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State of Washington

55th Legislature

1997 Regular Session

By Senators Prentice, Newhouse, Sellar, Morton, Deccio, Rasmussen, Winsley and Hale; by request of Department of Revenue

Read first time 01/20/97. Referred to Committee on Agriculture & Environment.

1 AN ACT Relating to sales and use tax exemptions for farmworker  
2 housing; amending RCW 82.08.02745 and 82.12.02685; and declaring an  
3 emergency.

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

5 **Sec. 1.** RCW 82.08.02745 and 1996 c 117 s 1 are each amended to  
6 read as follows:

7 (1) The tax levied by RCW 82.08.020 shall not apply to charges made  
8 for labor and services rendered by any person in respect to the  
9 constructing, repairing, decorating, or improving of new or existing  
10 buildings or other structures used as agricultural employee housing, or  
11 to sales of tangible personal property that becomes an ingredient or  
12 component of the buildings or other structures during the course of the  
13 constructing, repairing, decorating, or improving the buildings or  
14 other structures, but only if the buyer provides the seller with an  
15 exemption certificate in a form and manner prescribed by the department  
16 by rule.

17 (2) The exemption provided in this section for agricultural  
18 employee housing provided to year-round employees of the agricultural  
19 employer, only applies if that housing is built to the current building

1 code for single-family or multifamily dwellings according to the state  
2 building code, chapter 19.27 RCW.

3 (3) Any agricultural employee housing built under this section  
4 shall be used according to this section for at least five consecutive  
5 years from the date the housing is approved for occupation, or the full  
6 amount of tax otherwise due shall be immediately due and payable  
7 together with interest, but not penalties, from the date the housing is  
8 approved for occupation until the date of payment.

9 (4) The exemption provided in this section shall not apply to  
10 housing built for the occupancy of an employer, family members of an  
11 employer, or persons owning stock or shares in a farm partnership or  
12 corporation business.

13 (5) For purposes of this section and RCW 82.12.02685:

14 (a) "Agricultural employee" or "employee" has the same meaning as  
15 given in RCW 19.30.010;

16 (b) "Agricultural employer" or "employer" has the same meaning as  
17 given in RCW 19.30.010; and

18 (c) "Agricultural employee housing" means all facilities provided  
19 by ~~((the))~~ an agricultural employer, housing authority, local  
20 government, state or federal agency, or nonprofit community or  
21 neighborhood-based organization that is exempt from income tax under  
22 section 501(c) of the federal internal revenue code, for housing ((the  
23 employer's)) agricultural employees on a year-round or seasonal basis,  
24 including bathing, food handling, hand washing, laundry, and toilet  
25 facilities, single-family and multifamily dwelling units and  
26 dormitories, and includes labor camps under RCW 70.54.110.  
27 "Agricultural employee housing" does not include housing regularly  
28 provided on a commercial basis to the general public ~~((that is provided~~  
29 ~~to agricultural employees on the same terms and conditions as it is~~  
30 ~~provided to the general public))~~.

31 **Sec. 2.** RCW 82.12.02685 and 1996 c 117 s 2 are each amended to  
32 read as follows:

33 (1) The provisions of this chapter shall not apply in respect to  
34 the use of tangible personal property that becomes an ingredient or  
35 component of buildings or other structures used as agricultural  
36 employee housing during the course of constructing, repairing,  
37 decorating, or improving the buildings or other structures by any  
38 person.

1 (2) The exemption provided in this section for agricultural  
2 employee housing provided to year-round employees of the agricultural  
3 employer, only applies if that housing is built to the current building  
4 code for single-family or multifamily dwellings according to the state  
5 building code, chapter 19.27 RCW.

6 (3) Any agricultural employee housing built under this section  
7 shall be used according to this section for at least five consecutive  
8 years from the date the housing is approved for occupation, or the full  
9 amount of a tax otherwise due shall be immediately due and payable  
10 together with interest, but not penalties, from the date the housing is  
11 approved for occupation until the date of payment.

12 (4) The exemption provided in this section shall not apply to  
13 housing built for the occupancy of an employer, family members of an  
14 employer, or persons owning stock or shares in a farm partnership or  
15 corporation business.

16 (5) The definitions in RCW 82.08.02745(5) apply to this section.

17 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of the  
19 state government and its existing public institutions, and takes effect  
20 immediately.

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