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SENATE BILL 6048

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State of Washington                      55th Legislature                      1997 Regular Session

By Senators Strannigan and Oke

Read first time 03/05/97. Referred to Committee on Ways & Means.

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. However, this  
16 exemption only applies if no part of the net earnings received by such  
17 an institution come from the provision of abortion services. For the  
18 purposes of this section, "the provision of abortion services" does not

1 include the timely and appropriate referral to other providers for  
2 these services.

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

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

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

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

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

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

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