
SENATE BILL 6691

State of Washington

55th Legislature

1998 Regular Session

By Senators Jacobsen and Brown

Read first time 01/27/98. Referred to Committee on Energy & Utilities.

1 AN ACT Relating to exempting electric generating facilities powered
2 by wind or sun energy from sales and use taxes; amending RCW
3 82.08.02567 and 82.12.02567; providing an effective date; and providing
4 expiration dates.

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

6 **Sec. 1.** RCW 82.08.02567 and 1996 c 166 s 1 are each amended to
7 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)) watts of
15 electricity and provides the seller with an exemption certificate in a
16 form and manner prescribed by the department ((by rule, and the
17 purchaser provides the department with a duplicate of the certificate
18 or a summary of exempt sales as the department may require)). The
19 seller shall retain a copy of the certificate for the seller's files.

1 (2) For purposes of this section and RCW 82.12.02567:

2 (a) "Machinery and equipment" means (~~industrial~~) fixtures,
3 devices, 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~~) sun energy
19 if it captures, converts, transforms, stores, or transmits wind or sun
20 energy or the electricity created from wind or sun energy.

21 (3) This section expires June 30, (~~2005~~) 2008.

22 **Sec. 2.** RCW 82.12.02567 and 1996 c 166 s 2 are each amended to
23 read as follows:

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

29 ~~(a) An exemption certificate in a form and manner prescribed by the~~
30 ~~department within sixty days of the first use of such machinery and~~
31 ~~equipment in this state; or~~

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

35 (2) The definitions in RCW 82.08.02567 apply to this section.

36 (3) This section expires June 30, (~~2005~~) 2008.

1 NEW SECTION. **Sec. 3.** This act takes effect July 1, 1998.

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