

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5157

55th Legislature
1997 Regular Session

Passed by the Senate April 26, 1997
YEAS 41 NAYS 0

President of the Senate

Passed by the House April 26, 1997
YEAS 98 NAYS 0

**Speaker of the
House of Representatives**

Approved

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5157** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

Governor of the State of Washington

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5157

AS RECOMMENDED BY CONFERENCE COMMITTEE

Passed Legislature - 1997 Regular Session

State of Washington 55th Legislature 1997 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Zarelli, Stevens and Kohl)

Read first time 02/20/97.

1 AN ACT Relating to sales and use tax exemptions for victims of
2 inclement weather that led to a declaration of a disaster area; adding
3 a new section to chapter 82.08 RCW; adding a new section to chapter
4 82.12 RCW; providing an effective date; providing expiration dates; and
5 declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW
8 to read as follows:

9 (1) The tax levied by RCW 82.08.020 shall not apply to sales of the
10 following:

11 (a) Labor and services rendered in respect to repairing buildings
12 damaged by a disaster or constructing new buildings to replace
13 buildings destroyed by a disaster, if the buildings are located in a
14 county or Indian nation declared as a federal disaster area eligible
15 for individual assistance during the period November 1, 1995, through
16 June 30, 1997;

17 (b) Tangible personal property that becomes an ingredient or
18 component of such buildings during the course of repair or
19 construction;

1 (c) Private automobiles, when replacing a private automobile that
2 was damaged by a disaster occurring during the period November 1, 1995,
3 through June 30, 1997, and the damaged automobile was registered and
4 licensed under the laws of this state at the time of the disaster.

5 (2) A person is eligible for exemption under this section if he or
6 she has received a disaster assistance approval letter from the:

7 (a) Federal emergency management agency for a housing assistance
8 grant to repair a damaged home;

9 (b) Small business administration for a loan to repair damages to
10 a residential or commercial building; or

11 (c) Farm service agency for a loan to repair damages to farm
12 property.

13 (3) A person who receives an individual or family assistance grant
14 from the federal emergency management agency may not claim the
15 exemption granted under this section.

16 (4) A person who is denied an individual or family assistance grant
17 may claim exemption under this section by obtaining a special disaster
18 assistance certificate. To obtain a special disaster assistance
19 certificate, the person shall present the denial letter to the
20 department by mail or in person. The department shall issue a special
21 disaster assistance certificate to the person if the denial letter
22 indicates that:

23 (a) Damage to real property or a private automobile occurred;

24 (b) Damage was due to a disaster;

25 (c) Loss is not covered by insurance or otherwise compensated by
26 the receipt, or expected receipt, of other forms of disaster assistance
27 from the American red cross, federal emergency management disaster
28 housing program, small business administration, or farm service agency;
29 and

30 (d) Denial is not due to:

31 (i) Failure to prove ownership of the real property;

32 (ii) Finding that a private automobile was unusable, unregistered,
33 or uninsured as required by state law at the time it was damaged; or

34 (iii) Determination that the person, or another member of his or
35 her household, has previously applied for an individual or family
36 assistance grant for the same damage or loss.

37 (5) At the time of sale, a person claiming this exemption shall:

1 (a) Provide the seller with proof of eligibility by presenting
2 either a disaster assistance approval letter or a special disaster
3 assistance certificate;

4 (b) Display to the seller a valid Washington state driver's license
5 or other valid identification card that has a photograph of the holder;
6 and

7 (c) Complete an exemption certificate in a form and manner
8 prescribed by the department. The exemption certificate must contain
9 the buyer's name, address, telephone number, and Washington state
10 driver's license number or identification number. The certificate
11 should also list the items purchased, price of the items, and the date
12 of the purchase.

13 (6) The seller shall retain the exemption certificate and a copy of
14 either the disaster assistance approval letter or the special disaster
15 assistance certificate for a period of five years.

16 (7) This section expires July 1, 1998.

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

19 (1) The provisions of this chapter do not apply with respect to the
20 use, by a person meeting the eligibility criteria of subsection (2) of
21 this section, of the following:

22 (a) Tangible personal property that becomes an ingredient or
23 component of buildings during the course of repairing buildings to
24 replace buildings destroyed by a disaster, if the buildings are located
25 in a county or Indian nation declared as a federal disaster area
26 eligible for individual assistance during the period November 1, 1995,
27 through June 30, 1997;

28 (b) A private automobile, if the automobile replaces a private
29 automobile that was damaged by a disaster occurring during the period
30 November 1, 1995, through June 30, 1997, and the automobile was
31 registered and licensed under the laws of this state at the time of the
32 disaster.

33 (2) A person is eligible to claim an exemption under this section
34 if:

35 (a) He or she has been approved to receive one or more of the
36 following forms of disaster assistance:

37 (i) A housing assistance grant from the federal emergency
38 management agency to repair a damaged home;

1 (ii) A loan from the small business administration to repair
2 damages to a residential or commercial building; or

3 (iii) A loan from the farm service agency to repair damages to farm
4 property; or

5 (b) The person has obtained a special disaster assistance
6 certificate from the department under the provisions of section 1(4) of
7 this act.

8 (3) This section expires July 1, 1998.

9 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
10 preservation of the public peace, health, or safety, or support of the
11 state government and its existing public institutions, and takes effect
12 July 1, 1997.

--- END ---