

CERTIFICATION OF ENROLLMENT

SENATE BILL 5193

55th Legislature
1997 Regular Session

Passed by the Senate April 19, 1997
YEAS 47 NAYS 1

President of the Senate

Passed by the House April 14, 1997
YEAS 91 NAYS 3

**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 **SENATE BILL 5193** 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**

SENATE BILL 5193

AS AMENDED BY THE HOUSE

Passed Legislature - 1997 Regular Session

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))
6 occupancy, or the full amount of tax otherwise due shall be immediately
7 due and payable together with interest, but not penalties, from the
8 date the housing is approved for occupancy until the date of payment.
9 If at any time agricultural employee housing that is not located on
10 agricultural land ceases to be used in the manner specified in
11 subsection (2) of this section, the full amount of tax otherwise due
12 shall be immediately due and payable with interest, but not penalties,
13 from the date the housing ceases to be used as agricultural employee
14 housing until the date of payment.

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

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

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

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

24 (c) "Agricultural employee housing" means all facilities provided
25 by ~~((the))~~ an agricultural employer, housing authority, local
26 government, state or federal agency, nonprofit community or
27 neighborhood-based organization that is exempt from income tax under
28 section 501(c) of the internal revenue code of 1986 (26 U.S.C. Sec.
29 501(c)), or for-profit provider of housing for housing ((the
30 employer's)) agricultural employees on a year-round or seasonal basis,
31 including bathing, food handling, hand washing, laundry, and toilet
32 facilities, single-family and multifamily dwelling units and
33 dormitories, and includes labor camps under RCW 70.54.110.
34 "Agricultural employee housing" does not include housing regularly
35 provided on a commercial basis to the general public ~~((that is provided~~
36 ~~to agricultural employees on the same terms and conditions as it is~~
37 ~~provided to the general public))~~. "Agricultural employee housing" does
38 not include housing provided by a housing authority unless at least
39 eighty percent of the occupants are agricultural employees whose

1 adjusted income is less than fifty percent of median family income,
2 adjusted for household size, for the county where the housing is
3 provided.

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

6 (1) The provisions of this chapter shall not apply in respect to
7 the use of tangible personal property that becomes an ingredient or
8 component of buildings or other structures used as agricultural
9 employee housing during the course of constructing, repairing,
10 decorating, or improving the buildings or other structures by any
11 person.

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

17 (3) Any agricultural employee housing built under this section
18 shall be used according to this section for at least five consecutive
19 years from the date the housing is approved for ((~~occupation~~))
20 occupancy, or the full amount of a tax otherwise due shall be
21 immediately due and payable together with interest, but not penalties,
22 from the date the housing is approved for occupancy until the date of
23 payment. If at any time agricultural employee housing that is not
24 located on agricultural land ceases to be used in the manner specified
25 in subsection (2) of this section, the full amount of tax otherwise due
26 shall be immediately due and payable with interest, but not penalties,
27 from the date the housing ceases to be used as agricultural employee
28 housing until the date of payment.

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

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

34 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
35 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 immediately.

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