

SENATE BILL REPORT

SB 6124

As Reported By Senate Committee On:
Agriculture & International Trade, February 28, 2001

Title: An act relating to sales and use tax exemptions for farm machinery and equipment.

Brief Description: Exempting certain used farming equipment from sales and use tax.

Sponsors: Senators Parlette, Rasmussen, Honeyford and Hale.

Brief History:

Committee Activity: Agriculture & International Trade: 2/28/01 [DP-WM].

SENATE COMMITTEE ON AGRICULTURE & INTERNATIONAL TRADE

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Rasmussen, Chair; Shin, Vice Chair; Parlette, Sheahan and Swecker.

Staff: Bob Lee (786-7404)

Background: The sale of farm equipment at a farm auction is exempt from the sales and use tax if purchased by another farmer. Also, the value of used farm equipment traded in on the purchase of new farm equipment is deducted from the purchase price upon which sales tax is applied.

Summary of Bill: The sale of used machinery and equipment used previously in a farming activity sold by one farmer to another is exempt from sales and use tax. A farmer is defined as a person who produces agricultural products for sale.

Appropriation: None.

Fiscal Note: Requested on February 26, 2001.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill should be kept alive so that it can be considered as part of a relief package for the economically depressed agricultural industry.

Testimony Against: None.

Testified: Linda Johnson, Farm Bureau (pro).