
SUBSTITUTE HOUSE BILL 1339

State of Washington

57th Legislature

2001 Regular Session

By House Committee on Finance (originally sponsored by Representatives Linville, Ericksen, Barlean and Van Luven; by request of Department of Revenue)

Read first time . Referred to Committee on .

1 AN ACT Relating to providing equity in the taxation of farmers; and
2 amending RCW 82.04.100, 82.04.213, 82.04.330, 82.08.0259, 82.12.0261,
3 82.19.040, and 82.19.050.

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

5 **Sec. 1.** RCW 82.04.100 and 1987 c 23 s 3 are each amended to read
6 as follows:

7 "Extractor" means every person who from the person's own land or
8 from the land of another under a right or license granted by lease or
9 contract, either directly or by contracting with others for the
10 necessary labor or mechanical services, for sale or for commercial or
11 industrial use mines, quarries, takes or produces coal, oil, natural
12 gas, ore, stone, sand, gravel, clay, mineral or other natural resource
13 product, or fells, cuts or takes timber, Christmas trees other than
14 plantation Christmas trees, or other natural products, or takes fish,
15 (~~or takes, cultivates, or raises~~) shellfish, or other sea or inland
16 water foods or products. "Extractor" does not include persons
17 performing under contract the necessary labor or mechanical services
18 for others(~~or persons cultivating or raising fish entirely within~~
19 ~~confined rearing areas on the person's own land or on land in which the~~

1 ~~person has a present right of possession)); or persons ((who fell, cut,~~
2 ~~or take plantation Christmas trees from the person's own land or from~~
3 ~~land in which the person has a present right of possession)) meeting
4 the definition of farmer under RCW 82.04.213.~~

5 **Sec. 2.** RCW 82.04.213 and 1993 sp.s. c 25 s 302 are each amended
6 to read as follows:

7 (1) "Agricultural product" means any product of plant cultivation
8 or animal husbandry including, but not limited to: A product of
9 horticulture, grain cultivation, vermiculture, viticulture, or
10 aquaculture as defined in RCW 15.85.020; plantation Christmas trees;
11 turf; or any animal including but not limited to an animal that is a
12 private sector cultured aquatic product as defined in RCW 15.85.020, or
13 a bird, or insect, or the substances obtained from such an animal.
14 "Agricultural product" does not include animals ~~((intended to be pets))~~
15 defined as pet animals under RCW 16.70.020.

16 (2) "Farmer" means any person engaged in the business of growing,
17 raising, or producing, upon the person's own lands or upon the lands in
18 which the person has a present right of possession, any agricultural
19 product ~~((whatsoever for sale))~~ to be sold. "Farmer" does not include
20 ~~((a person using such products as ingredients in a manufacturing~~
21 ~~process, or))~~ a person growing, raising, or producing such products for
22 the person's own consumption~~((—"Farmer" does not include))~~; a person
23 selling any animal or substance obtained therefrom in connection with
24 the person's business of operating a stockyard or a slaughter or
25 packing house~~((—"Farmer" does not include any))~~; or a person in
26 respect to the business of taking, cultivating, or raising timber.

27 **Sec. 3.** RCW 82.04.330 and 1993 sp.s. c 25 s 305 are each amended
28 to read as follows:

29 This chapter shall not apply to any farmer that sells any
30 agricultural product at wholesale or to any farmer who grows, raises,
31 or produces agricultural products owned by others, such as custom feed
32 operations. This exemption shall not apply to any person selling such
33 products at retail or to any person selling manufactured substances or
34 articles.

35 This chapter shall also not apply to any persons who participate in
36 the federal conservation reserve program or its successor administered

1 by the United States department of agriculture with respect to land
2 enrolled in that program.

3 **Sec. 4.** RCW 82.08.0259 and 1980 c 37 s 27 are each amended to read
4 as follows:

5 The tax levied by RCW 82.08.020 shall not apply to sales of
6 (~~purebred~~) livestock, as defined in RCW 16.36.005, for breeding
7 purposes where the animals are registered in a nationally recognized
8 breed association; or to sales of cattle and milk cows used on the
9 farm.

10 **Sec. 5.** RCW 82.12.0261 and 1980 c 37 s 60 are each amended to read
11 as follows:

12 The provisions of this chapter shall not apply in respect to the
13 use of (~~purebred~~) livestock, as defined in RCW 16.36.005, for
14 breeding purposes where said animals are registered in a nationally
15 recognized breed association; or to sales of cattle and milk cows used
16 on the farm.

17 **Sec. 6.** RCW 82.19.040 and 1992 c 175 s 6 are each amended to read
18 as follows:

19 (1) To the extent applicable, all of the (~~provisions~~) definitions
20 of chapter(~~s~~) 82.04 RCW and all of the provisions of chapter 82.32
21 RCW apply to the tax imposed in this chapter(~~, except RCW 82.04.220~~
22 ~~through 82.04.290, and 82.04.330~~)).

23 (2) Taxes collected under this chapter shall be deposited in the
24 waste reduction, recycling, and litter control account under RCW
25 70.93.180.

26 **Sec. 7.** RCW 82.19.050 and 1992 c 175 s 7 are each amended to read
27 as follows:

28 The litter tax imposed in this chapter does not apply to:

29 (1) The manufacture or sale of products for use and consumption
30 outside the state; or

31 (2) The value of products or gross proceeds of the sales (~~of any~~
32 ~~animal, bird, or insect or the milk, eggs, wool, fur, meat, honey, or~~
33 ~~other substance obtained therefrom, if the person performs only the~~

- 1 ~~growing or raising function of such animal, bird, or insect~~) exempt
- 2 from tax under RCW 82.04.330.

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