
SUBSTITUTE HOUSE BILL 1406

State of Washington

57th Legislature

2001 Regular Session

By House Committee on Finance (originally sponsored by Representatives Esser, Poulsen, Crouse, Linville, Kagi, Kenney, Hatfield, Van Luven, Cooper, Campbell, Roach, Bush, Berkey, Miloscia, Rockefeller and Kessler; by request of Governor Locke)

READ FIRST TIME 03/12/01.

1 AN ACT Relating to providing sales and use tax exemptions for
2 air pollution control facilities acquired or installed by a light
3 and power business at thermal electric peaking plants; adding a
4 new section to chapter 82.34 RCW; and providing an expiration
5 date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.34
8 RCW to read as follows:

9 (1) The following definitions apply throughout this section:

10 (a) "Qualifying facility" means an air pollution control
11 facility as that term is defined in RCW 82.34.010(1)(a) to be
12 installed or acquired for a thermal electric peaking plant and
13 which is approved pursuant to the Washington clean air act,
14 chapter 70.94 RCW.

15 (b) "Thermal electric peaking plant" means a natural gas-fired
16 thermal electric generating facility operated by a light and power
17 business and placed into service between January 1, 1978, and

1 December 31, 1984, and that is registered for the calendar year
2 2000 pursuant to RCW 70.94.151.

3 (c) "Light and power business" has the same meaning as in RCW
4 82.16.010.

5 (2) The department shall, upon written request of a light and
6 power business to which the approval issued under chapter 70.94
7 RCW is attached, make a determination as to whether a plant is a
8 thermal electric peaking plant acquiring or installing a
9 qualifying facility eligible under this section. The department
10 shall consult with the department of community, trade, and
11 economic development and the department of ecology in making the
12 determination. If the determination is in the affirmative, the
13 department shall issue the light and power business a sales and
14 use tax exemption certificate in a form and manner as deemed
15 appropriate by the department.

16 (3) The charges for installation or acquisition of a qualifying
17 facility by the holder of the certificate are exempt from sales
18 tax imposed under chapter 82.08 RCW and use tax imposed under
19 chapter 82.12 RCW. The purchaser must provide the seller with a
20 copy of the sales and use tax exemption certificate. The seller
21 shall retain a copy of the certificate for the seller's files.

22 (4) The exemption in this section is limited to the
23 installation or acquisition of a qualifying facility and does not
24 apply to servicing, maintenance, operation, or repairs of a
25 thermal electric peaking plant or of an air pollution control
26 facility.

27 (5) This section expires December 31, 2003.

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