
HOUSE BILL 2070

State of Washington 57th Legislature 2001 Regular Session

By Representatives B. Chandler, Grant and Fromhold

Read first time 02/14/2001. Referred to Committee on Finance.

1 AN ACT Relating to tax exemptions and credits for structures and
2 equipment used to reduce agricultural burning; and amending RCW
3 82.08.840, 82.12.840, 82.04.4459, and 84.36.580.

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

5 **Sec. 1.** RCW 82.08.840 and 2000 c 40 s 2 are each amended to read
6 as follows:

7 (1) The tax levied by RCW 82.08.020 does not apply to sales of
8 machinery and equipment, and to services rendered in respect to
9 constructing structures, installing, constructing, repairing, cleaning,
10 decorating, altering, or improving of structures or eligible machinery
11 and equipment, or to sales of tangible personal property that becomes
12 an ingredient or component of eligible structures or eligible machinery
13 and equipment, if the machinery, equipment, or structure is used more
14 than half of the time:

15 (a) For gathering, densifying, processing, handling, storing,
16 transporting, or incorporating straw or straw-based products that
17 results in a reduction in field burning of cereal grains and field and
18 turf grass grown for seed; ((or))

1 (b) For gathering, transporting, chipping, grinding, composting,
2 and incorporating orchard trimmings and takeouts, and other
3 agricultural debris in lieu of burning; or

4 (c) To decrease air emissions resulting from field burning of
5 cereal grains and field and turf grass grown for seed or from burning
6 orchard prunings and takeouts or other agricultural debris.

7 (2) A person taking the exemption under this section must keep
8 records necessary for the department to verify eligibility under this
9 section. The exemption is available only when the buyer provides the
10 seller with an exemption certificate in a form and manner prescribed by
11 the department. The seller shall retain a copy of the certificate for
12 the seller's files.

13 (3) The department of ecology and the department of agriculture
14 shall consult with the department with regard to the information
15 necessary for the department to administer this section.

16 (~~(4) This section expires January 1, 2006.~~)

17 **Sec. 2.** RCW 82.12.840 and 2000 c 40 s 3 are each amended to read
18 as follows:

19 (1) The provisions of this chapter do not apply in respect to the
20 use of machinery and equipment, or tangible personal property that
21 becomes an ingredient or component of eligible machinery and equipment
22 used more than half of the time:

23 (a) For gathering, densifying, processing, handling, storing,
24 transporting, or incorporating straw or straw-based products that will
25 result in a reduction in field burning of cereal grains and field and
26 turf grass grown for seed; (~~or~~)

27 (b) For gathering, transporting, chipping, grinding, composting,
28 and incorporating orchard trimmings and takeouts, and other
29 agricultural debris in lieu of burning; or

30 (c) To decrease air emissions resulting from field burning of
31 cereal grains and field and turf grass grown for seed or from burning
32 orchard prunings and takeouts or other agricultural debris.

33 (2) A person taking the exemption under this section must keep
34 records necessary for the department to verify eligibility under this
35 section.

36 (3) The department of ecology shall provide the department with the
37 information necessary for the department to administer this section.

38 (~~(4) This section expires January 1, 2006.~~)

1 **Sec. 3.** RCW 82.04.4459 and 2000 c 40 s 4 are each amended to read
2 as follows:

3 (1) A person who is eligible for the exemption under RCW 82.08.840
4 or 82.12.840 may take a credit against tax imposed by this chapter,
5 subject to the limitations in this section.

6 (2) The credit under this section is equal to fifty percent of the
7 amount of costs expended for constructing structures or acquiring
8 machinery and equipment for which an exemption was taken under RCW
9 82.08.840 or 82.12.840.

10 (3) No application is necessary for the credit under this section.
11 A person taking the credit must keep records necessary for the
12 department to verify eligibility under this section. Tax credit may
13 not be claimed for expenditures that occurred before March 22, 2000.

14 (4) No applicant is eligible for tax credits under this section in
15 excess of the amount of tax that would otherwise be due under this
16 chapter. Approved credit may not be carried over to subsequent
17 calendar years. The credit must be claimed by the due date of the last
18 tax return for the calendar year in which the payment is made. Any
19 unused credit expires. Refunds shall not be given in place of credits.

20 (~~(5) This section expires January 1, 2006.~~)

21 **Sec. 4.** RCW 84.36.580 and 2000 c 40 s 5 are each amended to read
22 as follows:

23 Personal property eligible for exemption under RCW 82.08.840 or
24 82.12.840 is exempt from taxation.

25 (~~(This section applies to taxes levied for collection in 2001
26 through 2006. This section expires January 1, 2007.)~~)

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