
SENATE BILL 6392

State of Washington 57th Legislature

2002 Regular Session

By Senators Benton, Long and Stevens

Read first time 01/16/2002. Referred to Committee on Ways & Means.

1 AN ACT Relating to sales and use taxation of nonprofit youth
2 centers located on school district property; adding a new section to
3 chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; and
4 declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW
7 to read as follows:

8 (1) The tax levied by RCW 82.08.020 does not apply to:

9 (a) The sale of or charge made for tangible personal property
10 consumed or for labor and services rendered in respect to the
11 construction of new buildings on school district property for use as a
12 nonprofit youth center; and

13 (b) Sales of machinery and equipment related to the buildings
14 exempt under (a) of this subsection.

15 (2) Subsection (1) of this section only applies to labor and
16 services, machinery and equipment, or other tangible personal property
17 that is acquired before the construction is complete.

18 (3) A sales and use tax exemption certificate must be obtained from
19 the department to be exempt under this section. The application must

1 be made to the department in a form and manner prescribed by the
2 department. The application must contain information regarding the
3 location of the youth center, the size of the youth center, and any
4 other information required by the department. The department must rule
5 on the application within twenty days. The certificate applies only to
6 expenditures made after approval by the department.

7 (4) For purposes of this section and section 2 of this act:

8 (a) "Youth center" means any private center that provides, on a
9 regular basis, recreational, vocational, academic, or social services
10 activities for persons younger than twenty-one years old or for those
11 persons and their families.

12 (b) "Machinery and equipment" means tangible personal property of
13 a capital nature which has a useful life of one year or more that is of
14 the type that would be depreciated for federal income tax purposes
15 under section 168 of the federal internal revenue code of 1986 (26
16 U.S.C. Sec. 168), including such items as furniture, computers, and
17 tangible personal property that becomes an ingredient or component
18 thereof.

19 (c) "Nonprofit" means an organization exempt from federal income
20 tax under section 501(c)(3) of the federal internal revenue code of
21 1986 (26 U.S.C. Sec. 501(c)(3)).

22 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW
23 to read as follows:

24 (1) The provisions of this chapter do not apply with respect to the
25 use of tangible personal property for the construction of a new
26 nonprofit youth center on school district property.

27 (2) The provisions and requirements of section 1 of this act apply
28 to this section.

29 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect
32 immediately.

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