

**HB 2146 - H AMD 223**

By Representative Tom

ADOPTED 03/17/2003

1 Beginning on page 11, line 29, strike all of sections 13 and 14 and  
2 insert the following:

3 "NEW SECTION. **Sec. 13.** A new section is added to chapter 82.08  
4 RCW to read as follows:

5 (1) The tax levied by RCW 82.08.020 does not apply to sales of  
6 machinery and equipment, or to services rendered in respect to  
7 constructing structures, installing, constructing, repairing, cleaning,  
8 decorating, altering, or improving of structures or machinery and  
9 equipment, or to sales of tangible personal property that becomes an  
10 ingredient or component of structures or machinery and equipment, if  
11 the machinery, equipment, or structure is used directly for the retail  
12 sale of a wood biomass fuel blend. Structures and machinery and  
13 equipment that are used for the retail sale of a wood biomass fuel  
14 blend and for other purposes are exempt only on the portion used  
15 directly for the retail sale of a wood biomass fuel blend.

16 (2) The tax levied by RCW 82.08.020 does not apply to sales of fuel  
17 delivery vehicles or to sales of or charges made for labor and services  
18 rendered in respect to installing, repairing, cleaning, altering, or  
19 improving the vehicles including repair parts and replacement parts if  
20 at least seventy-five percent of the fuel distributed by the vehicles  
21 is a wood biomass fuel blend.

22 (3) A person taking the exemption under this section must keep  
23 records necessary for the department to verify eligibility under this  
24 section. The exemption is available only when the buyer provides the  
25 seller with an exemption certificate in a form and manner prescribed by  
26 the department. The seller shall retain a copy of the certificate for  
27 the seller's files.

28 (4) For the purposes of this section, the definitions in section 1  
29 of this act and this subsection apply.

1 (a) "Wood biomass fuel blend" means fuel that contains at least  
2 twenty percent wood biomass fuel by volume.

3 (b) "Machinery and equipment" means industrial fixtures, devices,  
4 and support facilities and tangible personal property that becomes an  
5 ingredient or component thereof, including repair parts and replacement  
6 parts that are integral and necessary for the delivery of a wood  
7 biomass fuel blend into the fuel tank of a motor vehicle.

8 (5) This section expires July 1, 2009.

9 NEW SECTION. **Sec. 14.** A new section is added to chapter 82.12 RCW  
10 to read as follows:

11 (1) The provisions of this chapter do not apply in respect to the  
12 use of machinery and equipment, or to services rendered in respect to  
13 installing, repairing, cleaning, altering, or improving of eligible  
14 machinery and equipment, or tangible personal property that becomes an  
15 ingredient or component of machinery and equipment used directly for  
16 the retail sale of a wood biomass fuel blend.

17 (2) The provisions of this chapter do not apply in respect to the  
18 use of fuel delivery vehicles including repair parts and replacement  
19 parts and to services rendered in respect to installing, repairing,  
20 cleaning, altering, or improving the vehicles if at least seventy-five  
21 percent of the fuel distributed by the vehicles is a wood biomass fuel  
22 blend.

23 (3) For the purposes of this section, the definitions in section 13  
24 of this act apply.

25 (4) This section expires July 1, 2009."

EFFECT: Conforms the form of the sales tax exemption to similar  
sales tax exemptions already in law.

--- END ---