

---

**SUBSTITUTE HOUSE BILL 1975**

---

**State of Washington**

**59th Legislature**

**2005 Regular Session**

**By** House Committee on Finance (originally sponsored by Representatives Springer, Tom, B. Sullivan, O'Brien, Cody, Kagi, Blake, Orcutt, McIntire, Nixon, Hinkle, Condotta, Haigh and Kenney)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to the excise taxation of trail maintenance and  
2 construction services; adding a new section to chapter 82.04 RCW;  
3 adding a new section to chapter 82.08 RCW; adding a new section to  
4 chapter 82.12 RCW; creating a new section; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the state is home  
7 to an extensive trail network that accommodates a physically active and  
8 demographically diverse public. An important community resource, this  
9 network of trails provides pathways through which people can experience  
10 our unique wilderness lands. The legislature further finds that  
11 nonprofit organizations play a vital role in building and maintaining  
12 Washington's hiking trail network. The legislature declares that it is  
13 in the public interest to encourage these nonprofit organizations  
14 through the provision of tax relief. The tax relief provided by this  
15 act reduces the tax burden on nonprofit organizations that build and  
16 maintain trails and increases the impact and effectiveness of trail  
17 building and maintenance activities provided by these organizations.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 82.04 RCW  
2 to read as follows:

3        (1) This chapter does not apply to amounts received by nonprofit  
4 organizations, as defined in subsection (2) of this section, from the  
5 United States or any of its instrumentalities, the state of Washington  
6 or any of its municipal corporations or political subdivisions, or from  
7 another nonprofit organization for the constructing or reconstructing  
8 of trails or trail maintenance activities.

9        (2) For purposes of this section, the following definitions apply:

10        (a) "Nonprofit organization" means an organization exempt from tax  
11 under section 501(c)(3) or (4) of the federal internal revenue code (26  
12 U.S.C. Sec. 501(c)(3) or (4)).

13        (b) "Trail maintenance activities" include removing plants or tree  
14 limbs encroaching on the trailway; restoring tread, including the  
15 removal of slough from a trail, returning a trail to its proper width,  
16 removing organic matter, removing protruding roots and rocks, restoring  
17 the outslope of a trail, and removing berms from the outside edge of a  
18 trail; constructing, repairing, or improving raised trail structures  
19 such as turnpikes or puncheon; clearing ditches, drain-dips, and  
20 culverts, constructing, installing, repairing, and improving drainage  
21 structures such as culverts, drain-dips, waterbars, and check-dams;  
22 clearing puncheon, turnpikes, curb logs, and bridges of dirt and  
23 plants; blocking off social trails; rerouting trails; postexcavation  
24 cleanup; naturalizing abandoned trails, removing trash near trailheads;  
25 and recruiting volunteers, educating and training the volunteers in  
26 techniques of trail maintenance, and supervising and monitoring the  
27 volunteers.

28        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 82.08 RCW  
29 to read as follows:

30        (1) The tax levied by RCW 82.08.020 does not apply to the sale of  
31 or charge made for: (a) Labor and services rendered in respect to the  
32 construction or reconstruction of trails or to trail maintenance  
33 activities provided by a nonprofit organization; or (b) tangible  
34 personal property incorporated as ingredients or components of trails  
35 during the construction or reconstruction of trails or performance of  
36 trail maintenance services, if the sales or charges are made by or to  
37 a nonprofit organization.

1 (2) For the purposes of this section, "trail maintenance  
2 activities" and "nonprofit organization" have the same meaning as  
3 provided in section 2 of this act.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.12 RCW  
5 to read as follows:

6 (1) The provisions of this chapter do not apply in respect to the  
7 use of: (a) Labor and services rendered in respect to the construction  
8 or reconstruction of trails or to trail maintenance activities if such  
9 labor and services are provided by a nonprofit organization; or (b)  
10 tangible personal property incorporated as ingredients or components of  
11 trails during the construction or reconstruction of trails or  
12 performance of trail maintenance services by a nonprofit organization.

13 (2) For the purposes of this section, "trail maintenance  
14 activities" and "nonprofit organization" have the same meaning as  
15 provided in section 2 of this act.

16 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
17 preservation of the public peace, health, or safety, or support of the  
18 state government and its existing public institutions, and takes effect  
19 immediately.

--- END ---