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HOUSE BILL 2134

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State of Washington                      59th Legislature                      2005 Regular Session

By Representatives Conway, Roach, Lantz, Shabro, Kirby, Talcott,  
Kilmer, Darneille and McDonald

Read first time 02/18/2005. Referred to Committee on Finance.

1            AN ACT Relating to a sales and use tax deferral for the  
2 construction of a historic automobile museum; and adding a new section  
3 to chapter 82.32 RCW.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 82.32 RCW  
6 to read as follows:

7            (1) The governing board of a nonprofit organization, corporation,  
8 or association may apply for deferral of taxes on the construction of  
9 buildings, site preparation, and the acquisition of related machinery  
10 and equipment for a historic automobile museum. Application shall be  
11 made to the department of revenue in a form and manner prescribed by  
12 the department of revenue. The application shall contain information  
13 regarding the location of the historic automobile museum, estimated or  
14 actual costs, time schedules for completion and operation, and other  
15 information required by the department of revenue. The department of  
16 revenue shall approve the application within sixty days if it meets the  
17 requirements of this section.

18            (2) The department of revenue shall issue a sales and use tax

1 deferral certificate for state and local sales and use taxes due under  
2 chapters 82.08, 82.12, and 82.14 RCW related to the construction of the  
3 historic automobile museum.

4 (3) The nonprofit organization, corporation, or association shall  
5 begin paying the deferred taxes in the fifth year after the date  
6 certified by the department of revenue as the date on which the  
7 historic automobile museum is operationally complete. The first  
8 payment is due on December 31st of the fifth calendar year after such  
9 certified date, with subsequent annual payments due on December 31st of  
10 the following nine years. Each payment shall equal ten percent of the  
11 deferred tax.

12 (4) The department of revenue may authorize an accelerated  
13 repayment schedule upon request of the nonprofit organization,  
14 corporation, or association.

15 (5) Interest shall not be charged on any taxes deferred under this  
16 section for the period of deferral, although all other penalties and  
17 interest applicable to delinquent excise taxes may be assessed and  
18 imposed for delinquent payments under this section. The debt for  
19 deferred taxes is not extinguished by insolvency or other failure of  
20 the nonprofit organization, corporation, or association.

21 (6) The repayment of deferred taxes and interest shall be deposited  
22 into the general fund.

23 (7) Applications and any other information received by the  
24 department of revenue under this section are not confidential and are  
25 subject to disclosure. This chapter applies to the administration of  
26 this section.

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