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SENATE BILL 5398

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State of Washington                      59th Legislature                      2005 Regular Session

By Senators Thibaudeau, Rasmussen, Zarelli, Oke, Kohl-Welles and Kline

Read first time 01/24/2005. Referred to Committee on Health & Long-Term Care.

1            AN ACT Relating to tax exemptions for comprehensive cancer centers;  
2 adding a new section to chapter 82.04 RCW; adding a new section to  
3 chapter 82.08 RCW; and adding a new section to chapter 82.12 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 82.04 RCW  
6 to read as follows:

7            (1) This chapter does not apply to amounts received by a  
8 comprehensive cancer center to the extent the amounts are exempt from  
9 federal income tax.

10           (2) For the purposes of this section, "comprehensive cancer center"  
11 means a cancer center that has written confirmation that it is  
12 recognized by the national cancer institute as a comprehensive cancer  
13 center and that qualifies as an exempt organization under 26 U.S.C.  
14 Sec. 501(c)(3) as existing on the effective date of this section.

15           NEW SECTION.    **Sec. 2.** A new section is added to chapter 82.08 RCW  
16 to read as follows:

17           (1) The tax levied by RCW 82.08.020 does not apply to the sale of  
18 medical supplies, chemicals, or materials to a comprehensive cancer

1 center. The exemption in this section does not apply to the sale of  
2 construction materials, office equipment, building equipment,  
3 administrative supplies, or vehicles.

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

6 (a) "Comprehensive cancer center" has the meaning provided in  
7 section 1 of this act.

8 (b) "Chemical" means any catalyst, solvent, water, acid, oil, or  
9 other additive that physically or chemically interacts with blood,  
10 bone, or tissue.

11 (c) "Materials" means any item of tangible personal property,  
12 including, but not limited to, bags, packs, collecting sets, filtering  
13 materials, testing reagents, antisera, and refrigerants used or  
14 consumed in performing research on, procuring, testing, processing,  
15 storing, packaging, distributing, or using blood, bone, or tissue.

16 (d) "Research" means basic and applied research that has as its  
17 objective the design, development, refinement, testing, marketing, or  
18 commercialization of a product, service, or process.

19 (e) "Medical supplies" means any item of tangible personal  
20 property, including any repair and replacement parts for such tangible  
21 personal property, used by a comprehensive cancer center for the  
22 purpose of performing research on, procuring, testing, processing,  
23 storing, packaging, distributing, or using blood, bone, or tissue. The  
24 term includes tangible personal property used to:

25 (i) Provide preparatory treatment of blood, bone, or tissue;

26 (ii) Control, guide, measure, tune, verify, align, regulate, test,  
27 or physically support blood, bone, or tissue; and

28 (iii) Protect the health and safety of employees or others present  
29 during research on, procuring, testing, processing, storing, packaging,  
30 distributing, or using blood, bone, or tissue.

31 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW  
32 to read as follows:

33 (1) The provisions of this chapter do not apply in respect to the  
34 use of medical supplies, chemicals, or materials by a comprehensive  
35 cancer center. The exemption in this section does not apply to the use  
36 of construction materials, office equipment, building equipment,

1 administrative supplies, or vehicles.

2 (2) The definitions in section 2 of this act apply to this section.

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