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SENATE BILL 6516

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State of Washington

59th Legislature

2006 Regular Session

By Senators Fraser, Mulliken, Pridemore, Morton, Poulsen, Rockefeller, Regala, Benton, Rasmussen, Kline and Keiser

Read first time 01/13/2006. Referred to Committee on Water, Energy & Environment.

1 AN ACT Relating to sales and use tax exemptions to encourage the  
2 use of alternative fuels; adding a new section to chapter 82.08 RCW;  
3 adding a new section to chapter 82.12 RCW; and providing an effective  
4 date.

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 the sale of,  
9 and labor and services rendered in respect to, tangible personal  
10 property installed on a motor vehicle if the property enables the  
11 vehicle to operate using an alternative fuel. Only parts and other  
12 components that are specific to enabling a motor vehicle to operate  
13 using an alternative fuel are exempt under this section.

14 (2) The exemption is available only when the buyer provides the  
15 seller with an exemption certificate in a form and manner prescribed by  
16 the department. The seller must retain a copy of the certificate for  
17 the seller's files.

18 (3) For the purposes of this section, "alternative fuel" means a

1 fuel that is at least fifty percent, by volume, alcohol fuel, biodiesel  
2 fuel, biodiesel feedstock, or wood biomass fuel, as these terms are  
3 defined in RCW 82.29A.135.

4 NEW SECTION. **Sec. 2.** 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 tangible personal property, labor, or services if the property,  
8 labor, or services enable the vehicle to operate using an alternative  
9 fuel. Only parts and other components that are specific to enabling a  
10 motor vehicle to operate using an alternative fuel are exempt under  
11 this section.

12 (2) For the purposes of this section, "alternative fuel" means a  
13 fuel that is at least fifty percent, by volume, alcohol fuel, biodiesel  
14 fuel, biodiesel feedstock, or wood biomass fuel, as these terms are  
15 defined in RCW 82.29A.135.

16 NEW SECTION. **Sec. 3.** This act takes effect July 1, 2006.

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