
SUBSTITUTE HOUSE BILL 1554

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Finance (originally sponsored by Representatives B. Sullivan, Ericks, Strow, Linville and Dunn)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to excise tax relief for aerospace product
2 development businesses; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) The joint legislative audit and review
5 committee shall study the effect of enacting tax preferences for
6 aerospace product development businesses. The committee shall
7 summarize its findings in the form of a report. The report shall
8 estimate the effect of enacting tax preferences for aerospace product
9 businesses on job retention, job growth, company growth,
10 diversification of the state's economy, cluster dynamics, and other
11 factors the committee may select. The report is due to the house
12 finance and senate ways and means committees by December 1, 2007.

13 (2) For the purposes of this section, aerospace product development
14 businesses are businesses not directly claiming currently authorized
15 aerospace tax incentives that are engaged in the development, design,
16 engineering, or manufacturing of:

17 (a) Tooling that is used: (i) In the manufacturing of commercial
18 airplanes; or (ii) by manufacturers of component parts for commercial
19 airplanes;

1 (b) Maintenance, repair, or overhaul support equipment that is used
2 by airline customers in the aftermarket support of commercial
3 airplanes;

4 (c) Ground support equipment, including test equipment, that is
5 used by airline customers in support of commercial airplanes; or

6 (d) General aviation aircraft and components of such aircraft.

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