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HOUSE BILL 1895

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State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Finn, Appleton, Seaquist, and Rolfes

Read first time 02/02/09. Referred to Committee on Finance.

1            AN ACT Relating to the development of clean technology within port  
2 district properties; adding a new section to chapter 82.08 RCW; adding  
3 a new section to chapter 82.12 RCW; and creating a new section.

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

5            NEW SECTION.    **Sec. 1.** The legislature finds that it is important  
6 to promote the advancement in clean technology industries within port  
7 district properties throughout the state. Therefore, it is the intent  
8 of the legislature to encourage the development of clean technology  
9 industries by providing certain incentives to site those industries at  
10 port district properties that serve as incubators for the development  
11 of clean technology.

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

14           (1) The tax imposed by RCW 82.08.020 does not apply to the sales of  
15 material or labor used directly in the construction of new facilities  
16 within port district properties that serve as incubators for the  
17 development of clean technology industries, or to the sales of

1 machinery or equipment used directly in the development of clean  
2 technology from such port district properties.

3 (2) The purchaser must provide the seller with an exemption  
4 certificate in a form and manner prescribed by the department by rule.  
5 The seller must retain a copy of the certificate for the seller's  
6 files.

7 (3) For the purposes of this section:

8 (a) "Clean technology" means products and services that use  
9 renewable materials and energy sources, decrease the use of natural  
10 resources, cut or eliminate emissions and wastes, and add economic  
11 value compared to traditional alternatives; and

12 (b) "Machinery and equipment" means industrial fixtures, devices,  
13 and support facilities that are integral and necessary to the  
14 development of clean technology. "Machinery and equipment" does not  
15 include: (i) Hand-powered tools; (ii) property with a useful life of  
16 less than one year; (iii) repair parts required to restore machinery  
17 and equipment to normal working order; (iv) replacement parts that do  
18 not increase productivity, improve efficiency, or extend the useful  
19 life of machinery and equipment; (v) buildings; or (vi) building  
20 fixtures that are not integral and necessary to the generation of  
21 electricity that are permanently affixed to and become a physical part  
22 of a building.

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

25 (1) The provisions of this chapter do not apply in respect to the  
26 use of materials and labor used directly in the construction of new  
27 facilities within port district properties that serve as incubators for  
28 the development of clean technology industries, or to the sales of  
29 machinery or equipment used directly in the development of clean  
30 technology from such port district properties.

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

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