
SENATE BILL 5358

State of Washington 61st Legislature 2009 Regular Session

By Senators Hobbs, Hewitt, Marr, King, Fairley, Zarelli, and Benton

Read first time 01/20/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to sales and use tax exemptions in respect to
2 aircraft used in intrastate commuter operations; and amending RCW
3 82.08.0262 and 82.12.0254.

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

5 **Sec. 1.** RCW 82.08.0262 and 1998 c 311 s 5 are each amended to read
6 as follows:

7 (1) The tax levied by RCW 82.08.020 ((shall)) does not apply to:

8 (a) Sales of airplanes((7)) (i) to the United States government;
9 (ii) for use in conducting interstate or foreign commerce; or (iii) for
10 use in providing intrastate air transportation by a commuter air
11 carrier;

12 (b) Sales of locomotives, railroad cars, or watercraft for use in
13 conducting interstate or foreign commerce by transporting therein or
14 therewith property and persons for hire or for use in conducting
15 commercial deep sea fishing operations outside the territorial waters
16 of the state ((or airplanes sold to the United States government;
17 also));

18 (c) Sales of tangible personal property ((which)) that becomes a
19 component part of such airplanes, locomotives, railroad cars, or

1 watercraft, and of motor vehicles or trailers whether owned by or
2 leased with or without drivers and used by the holder of a carrier
3 permit issued by the interstate commerce commission or its successor
4 agency authorizing transportation by motor vehicle across the
5 boundaries of this state, in the course of constructing, repairing,
6 cleaning, altering, or improving the same; ~~((also))~~ and

7 (d) Sales of or charges made for labor and services rendered in
8 respect to such constructing, repairing, cleaning, altering, or
9 improving.

10 (2) The term "commuter air carrier" means an air carrier holding
11 authority under Title 14, part 298 of the code of federal regulations
12 that carries passengers on at least five round trips per week on at
13 least one route between two or more points according to its published
14 flight schedules that specify the times, days of the week, and places
15 between which those flights are performed.

16 **Sec. 2.** RCW 82.12.0254 and 2003 c 5 s 3 are each amended to read
17 as follows:

18 (1) The provisions of this chapter ~~((shall))~~ do not apply in
19 respect to the use of:

20 (a) Any airplane~~((r))~~ used primarily in (i) conducting interstate
21 or foreign commerce or (ii) providing intrastate air transportation by
22 a commuter air carrier as defined in RCW 82.08.0262;

23 (b) Any locomotive, railroad car, or watercraft used primarily in
24 conducting interstate or foreign commerce by transporting therein or
25 therewith property and persons for hire or used primarily in commercial
26 deep sea fishing operations outside the territorial waters of the
27 state~~((, and in respect to use of))~~;

28 (c) Tangible personal property ~~((which))~~ that becomes a component
29 part of any such airplane, locomotive, railroad car, or watercraft in
30 the course of repairing, cleaning, altering, or improving the same;
31 ~~((also the use of))~~ and

32 (d) Labor and services rendered in respect to such repairing,
33 cleaning, altering, or improving.

34 (2) The provisions of this chapter ~~((shall))~~ do not apply in
35 respect to the use by a nonresident of this state of any motor vehicle
36 or trailer used exclusively in transporting persons or property across
37 the boundaries of this state and in intrastate operations incidental

1 thereto when such motor vehicle or trailer is registered and licensed
2 in a foreign state and in respect to the use by a nonresident of this
3 state of any motor vehicle or trailer so registered and licensed and
4 used within this state for a period not exceeding fifteen consecutive
5 days under such rules as the department (~~(of revenue shall)~~) must
6 adopt(~~(: PROVIDED, That)~~). However, under circumstances determined to
7 be justifiable by the department (~~(of revenue)~~) a second fifteen day
8 period may be authorized consecutive with the first fifteen day period;
9 and for the purposes of this exemption the term "nonresident" as used
10 herein(~~(, shall include)~~) includes a user who has one or more places of
11 business in this state as well as in one or more other states, but the
12 exemption for nonresidents (~~(shall apply)~~) applies only to those
13 vehicles which are most frequently dispatched, garaged, serviced,
14 maintained, and operated from the user's place of business in another
15 state.

16 (3) The provisions of this chapter (~~(shall)~~) do not apply in
17 respect to the use by the holder of a carrier permit issued by the
18 interstate commerce commission or its successor agency of any motor
19 vehicle or trailer whether owned by or leased with or without driver to
20 the permit holder and used in substantial part in the normal and
21 ordinary course of the user's business for transporting therein persons
22 or property for hire across the boundaries of this state; and in
23 respect to the use of any motor vehicle or trailer while being operated
24 under the authority of a one-transit permit issued by the director of
25 licensing pursuant to RCW 46.16.160 and moving upon the highways from
26 the point of delivery in this state to a point outside this state; and
27 in respect to the use of tangible personal property which becomes a
28 component part of any motor vehicle or trailer used by the holder of a
29 carrier permit issued by the interstate commerce commission or its
30 successor agency authorizing transportation by motor vehicle across the
31 boundaries of this state whether such motor vehicle or trailer is owned
32 by or leased with or without driver to the permit holder, in the course
33 of repairing, cleaning, altering, or improving the same; also the use
34 of labor and services rendered in respect to such repairing, cleaning,
35 altering, or improving.

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