
SENATE BILL 6691

State of Washington

61st Legislature

2010 Regular Session

By Senator Pridemore

Read first time 01/21/10. Referred to Committee on Environment, Water & Energy.

1 AN ACT Relating to providing forest derived biomass tax incentives;
2 amending RCW 82.04.4494, 82.08.957, and 82.12.957; adding a new section
3 to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; and
4 providing expiration dates.

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

6 **Sec. 1.** RCW 82.04.4494 and 2009 c 469 s 401 are each amended to
7 read as follows:

8 (1) In computing the tax imposed under this chapter, harvesters are
9 allowed a credit against the amount of tax otherwise due under this
10 chapter, as provided in this section. The credit per harvested green
11 ton of forest derived biomass sold, transferred, or used for production
12 of electricity, steam, heat, or biofuel is as follows:

13 (a) For forest derived biomass harvested October 1, 2009, through
14 June 30, 2010, zero dollars;

15 (b) For forest derived biomass harvested July 1, 2010, through June
16 30, 2013, (~~three~~) five dollars;

17 (c) For forest derived biomass harvested July 1, 2013, through June
18 30, (~~2015~~) 2020, (~~five~~) ten dollars.

1 (2) Credit may not be claimed for forest derived biomass sold,
2 transferred, or used before July 1, 2009. The amount of credit allowed
3 for a reporting period may not exceed the tax otherwise due under this
4 chapter for that reporting period. Any unused excess credit in a
5 reporting period may be carried forward to future reporting periods for
6 a maximum of two years.

7 (3) For the purposes of this section, "harvested" and "harvesters"
8 are defined in RCW 84.33.035, and "biofuel" is defined in RCW
9 43.325.010.

10 (4) This section expires June 30, (~~(2015)~~) 2020.

11 **Sec. 2.** RCW 82.08.957 and 2009 c 469 s 402 are each amended to
12 read as follows:

13 (1) The tax levied by RCW 82.08.020 does not apply to sales of
14 forest derived biomass used to produce electricity, steam, heat, or
15 biofuel. This exemption is available only if the buyer provides the
16 seller with an exemption certificate in a form and manner prescribed by
17 the department. The seller must retain a copy of the certificate for
18 the seller's files.

19 (2) For purposes of this section, "biofuel" is defined in RCW
20 43.325.010.

21 (3) This section expires June 30, (~~(2013)~~) 2020.

22 **Sec. 3.** RCW 82.12.957 and 2009 c 469 s 403 are each amended to
23 read as follows:

24 (1) The provisions of this chapter do not apply with respect to the
25 use of forest derived biomass for production of electricity, steam,
26 heat, or biofuel.

27 (2) For purposes of this section, "biofuel" is defined in RCW
28 43.325.010.

29 (3) This section expires June 30, (~~(2013)~~) 2020.

30 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.08 RCW
31 to read as follows:

32 (1) The tax levied by RCW 82.08.020 does not apply to sales of
33 machinery and equipment used exclusively to recover forest derived
34 biomass for the production of electricity, steam, heat, or biofuel.

1 (2) A person taking the exemption under this section must keep
2 records necessary for the department to verify eligibility under this
3 section. The exemption is available only when the buyer provides the
4 seller with an exemption certificate in a form and manner prescribed by
5 the department. The seller must retain a copy of the certificate for
6 the seller's files.

7 (3) For the purposes of this section, the following definitions
8 apply:

9 (a) "Biofuel" is defined in RCW 43.325.010.

10 (b) "Machinery and equipment" means machines, equipment, and
11 devices, including repair parts and replacement parts, that are
12 integral and necessary for the recovery of forest derived biomass used
13 to produce electricity, steam, heat, or biofuel.

14 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.12 RCW
15 to read as follows:

16 (1) The provisions of this chapter do not apply in respect to the
17 use of machinery and equipment used exclusively to recover forest
18 derived biomass for the production of electricity, steam, heat, or
19 biofuel.

20 (2) A person taking the exemption under this section must keep
21 records necessary for the department to verify eligibility under this
22 section. The exemption is available only when the buyer provides the
23 seller with an exemption certificate in a form and manner prescribed by
24 the department. The seller must retain a copy of the certificate for
25 the seller's files.

26 (3) For the purposes of this section, the definitions in section 4
27 of this act apply.

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