
SENATE BILL 5535

State of Washington

62nd Legislature

2011 Regular Session

By Senators Honeyford, Kastama, Morton, Kilmer, Parlette, Becker, Stevens, Litzow, McAuliffe, Shin, Roach, and Chase

Read first time 01/28/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to providing tax incentives for donations of modern
2 laboratory equipment to higher education institutions and vocational
3 skills centers; adding a new section to chapter 82.04 RCW; and creating
4 a new section.

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

6 NEW SECTION. **Sec. 1.** A shortage of high-quality laboratory
7 equipment in the community and technical colleges of this state,
8 including the Northwest Indian college and vocational skills centers,
9 is a limiting factor on the modern instruction needed in technology-
10 related fields to maintain industrial competitiveness and spur economic
11 development in the state. This problem can be at least partially
12 addressed by encouraging donations of modern laboratory equipment.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04 RCW
14 to read as follows:

15 (1) In computing the tax imposed under this chapter, a credit is
16 allowed in an amount equal to the fair market value of donations made
17 under subsection (2) of this section.

1 (2) After issuing a need statement and accepting a donation of
2 modern laboratory equipment useful in one or more technology-related
3 fields, the recipient institution must promptly have the fair market
4 value of such equipment assessed by a qualified, independent expert;
5 however, when the price of the donated equipment is listed in current
6 catalogs or price lists, an independent expert need not be used. The
7 assessed fair market value of such equipment or the listed value must
8 then be reported by the recipient community or technical college to the
9 donor and the department, along with such other information as the
10 department deems necessary. The credit under this section must be
11 earned, and claimed against taxes due under this chapter, for the tax
12 reporting period in which the contribution was made by the person
13 claiming credit under this section. The credit may not exceed the tax
14 otherwise due under this chapter for the tax reporting period. Unused
15 credit may be carried over and used in subsequent tax reporting
16 periods. No refunds may be granted for credits under this section.

17 (3) For the purposes of this section, the following definitions
18 apply unless the context clearly requires otherwise:

19 (a) "Donation" means an unencumbered transfer.

20 (b) "Institution" means a community or technical college as defined
21 in RCW 28B.50.030, a vocational skills center, or the Northwest Indian
22 college.

23 (c) "Modern laboratory equipment" means laboratory equipment that
24 is useful in the course of institution instruction, training or
25 research, and is comparable to laboratory equipment currently used in
26 private industry, not-for-profit organizations, or government
27 laboratories. Such laboratory equipment must retain at least one-half
28 of its useful life at the time of donation.

29 (d) "Technology-related fields" means the fields of engineering,
30 physical sciences, biological sciences, computer sciences, agriculture
31 and food processing, or other fields established by rule by the higher
32 education coordinating board.

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