

SHB 2089 - H AMD TO H AMD (H-2862.2/14) 588
By Representative Morris

NOT CONSIDERED

1 On page 27, after line 33 of the amendment, insert the following:

2 "NEW SECTION. **Sec. 15.** A new section is added to chapter 82.32
3 RCW to read as follows:

4 (1) A person manufacturing commercial airplanes in this state may
5 not claim any aerospace tax incentive if more than fifty percent of the
6 final assembly of any commercial airplane family manufactured by the
7 person occurs outside the state of Washington.

8 (2) The definitions in this subsection apply throughout this
9 section unless the context clearly requires otherwise.

10 (a) "Aerospace tax incentive" means a tax exemption, deduction,
11 credit, or preferential tax rate in RCW 82.04.260(11), 82.04.4463,
12 82.04.4461, 82.08.975, 82.08.980, 82.12.975, and 82.12.980. However,
13 this section does not apply to the activities described in RCW
14 82.04.260(11)(e)(ii).

15 (b) "Final assembly" means the activity of assembling an airplane
16 from components necessary for its mechanical operation such that the
17 finished commercial airplane is ready to deliver to the ultimate
18 consumer.

19 (3) This section applies to a person on the first day of the first
20 reporting period occurring after the condition in subsection (1) of
21 this section is met."

22 Renumber the remaining sections consecutively, correct any internal
23 references accordingly, and correct the title.

EFFECT: Eliminates the availability of aerospace tax incentives
for airplane manufacturers transferring more than fifty percent of the
final assembly of any commercial airplane outside the state of

Washington, except for the manufacturing of a new line of commercial airplanes not yet manufactured in the state.

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