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**SUBSTITUTE SENATE BILL 5251**

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**State of Washington**

**63rd Legislature**

**2013 Regular Session**

**By** Senate Trade & Economic Development (originally sponsored by Senators Chase and Shin)

READ FIRST TIME 02/20/13.

1       AN ACT Relating to exempting certain manufacturing research and  
2 development activities from business and occupation taxation; and  
3 adding a new section to chapter 82.04 RCW.

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

5       NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW  
6 to read as follows:

7       During the first five years of production, this chapter does not  
8 apply to any person with respect to the value of products manufactured  
9 in Washington when:

10       (1) The product was developed as a result of research and  
11 development, as defined in RCW 82.63.010, carried out at the University  
12 of Washington or Washington State University; and

13       (2) The product is being manufactured pursuant to a licensing  
14 agreement with the University of Washington or Washington State  
15 University.

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