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SENATE BILL 5848

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State of Washington

63rd Legislature

2013 Regular Session

By Senators Becker, Cleveland, and Rivers

Read first time 02/22/13. Referred to Committee on Ways & Means.

1 AN ACT Relating to modifying the nonprofit tax exemption for  
2 qualifying blood, tissue, or blood and tissue banks; and amending RCW  
3 82.04.324.

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

5 **Sec. 1.** RCW 82.04.324 and 2004 c 82 s 1 are each amended to read  
6 as follows:

7 (1) This chapter does not apply to amounts received by a qualifying  
8 blood bank, a qualifying tissue bank, or a qualifying blood and tissue  
9 bank to the extent the amounts are exempt from federal income tax.

10 (2) For the purposes of this section:

11 (a) "Qualifying blood bank" means (~~a blood bank that qualifies~~  
12 ~~as~~) an exempt organization under 26 U.S.C. 501(c)(3) as existing on  
13 June 10, 2004, that is registered pursuant to 21 C.F.R., part 607 as  
14 existing on June 10, 2004, and whose primary business purpose is the  
15 collection, preparation, (~~and processing of blood~~) testing or  
16 processing of blood, on behalf of itself or other qualifying blood bank  
17 or qualifying blood and tissue bank. "Qualifying blood bank" does not  
18 include a comprehensive cancer center that is recognized as such by the  
19 national cancer institute.

1 (b) "Qualifying tissue bank" means a tissue bank that qualifies as  
2 an exempt organization under 26 U.S.C. 501(c)(3) as existing on June  
3 10, 2004, is registered pursuant to 21 C.F.R., part 1271 as existing on  
4 June 10, 2004, and whose primary business purpose is the recovery,  
5 processing, storage, labeling, packaging, or distribution of human bone  
6 tissue, ligament tissue and similar musculoskeletal tissues, skin  
7 tissue, heart valve tissue, or human eye tissue. "Qualifying tissue  
8 bank" does not include a comprehensive cancer center that is recognized  
9 as such by the national cancer institute.

10 (c) "Qualifying blood and tissue bank" (~~is a bank that qualifies~~  
11 ~~as~~) means an exempt organization under 26 U.S.C. 501(c)(3) as existing  
12 on June 10, 2004, that is registered pursuant to 21 C.F.R., part 607  
13 and part 1271 as existing on June 10, 2004, and whose primary business  
14 purpose is the collection, preparation, testing or processing of blood,  
15 on behalf of itself or other qualifying blood bank or qualifying blood  
16 and tissue bank and processing of blood, and the recovery, processing,  
17 storage, labeling, packaging, or distribution of human bone tissue,  
18 ligament tissue and similar musculoskeletal tissues, skin tissue, and  
19 heart valve tissue. "Qualifying blood and tissue bank" does not  
20 include a comprehensive cancer center that is recognized as such by the  
21 national cancer institute.

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