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**SUBSTITUTE SENATE BILL 6247**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Angel, Takko, and Bailey)

AN ACT Relating to exempting from state and local taxes on-site sewage system fees required by a local government to be paid by an on-site sewage system owner to an on-site sewage system contractor or inspector; adding a new section to chapter 82.04 RCW; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating new sections; and declaring an emergency.

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

NEW SECTION. **Sec.**  (1) This section is the tax preference performance statement for the tax preferences contained in sections 2, 3, and 4 of this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as intended to reduce structural inefficiencies in the tax structure as indicated in RCW 82.32.808(2)(d).

(3) It is the legislature's specific public policy objective to reduce structural inefficiencies in the tax structure. It is the legislature's intent to provide permanent tax relief to correct the structural inefficiencies with regard to local government fees paid by an on-site sewage system owner to a certified on-site sewage system contractor or inspector. Because this exemption is intended to be permanent, the exemption established in this act is not subject to the ten-year expiration provision in RCW 82.32.805(1)(a).

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

(1) This chapter does not apply to reporting fees paid by an on-site sewage system owner to a certified on-site sewage system service provider if such fees are paid by the contractor or inspector to the local government imposing the fee.

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

(a) "Certified on-site sewage system service provider" means businesses that are certified by a local government to provide operations and maintenance inspections of on-site sewage systems.

(b) "On-site sewage system" has the same meaning as in RCW 70.118B.010.

(c) "On-site sewage system owner" means the owner of an on-site sewage system required by a local government to be inspected and maintained.

(d) "Reporting fees" means inspection and pumping reporting fees required by a local government.

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

(1) The tax levied by RCW 82.08.020 does not apply to reporting fees paid by an on-site sewage system owner to a certified on-site sewage system service provider if such fees are paid by the contractor or inspector to the local government imposing the fee.

(2) The definitions in section 2 of this act apply to this section.

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

(1) The provisions of this chapter do not apply to reporting fees paid by an on-site sewage system owner to a certified on-site sewage system service provider if such fees are paid by the contractor or inspector to the local government imposing the fee.

(2) The definitions in section 2 of this act apply to this section.

NEW SECTION. **Sec.**  RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

**--- END ---**