
HOUSE BILL 2931

State of Washington

66th Legislature

2020 Regular Session

By Representative Tharinger

Read first time 02/07/20. Referred to Committee on Finance.

1 AN ACT Relating to providing a sales and use tax exemption for
2 labor and services rendered related to and tangible personal property
3 incorporated in a qualified community multipurpose arts and events
4 facility; adding a new section to chapter 82.08 RCW; adding a new
5 section to chapter 82.12 RCW; creating new sections; providing
6 expiration dates; and declaring an emergency.

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

8 NEW SECTION. **Sec. 1.** (1) This section is the tax preference
9 performance statement for the tax preference contained in sections 2
10 and 3, chapter . . ., Laws of 2020 (sections 2 and 3 of this act).
11 This performance statement is only intended to be used for subsequent
12 evaluation of the tax preference. It is not intended to create a
13 private right of action by any party or to be used to determine
14 eligibility for preferential tax treatment.

15 (2) The legislature categorizes this tax preference as one
16 intended to provide tax relief for certain businesses or individuals,
17 pursuant to RCW 82.32.808(2)(e).

18 (3) It is the legislature's specific public policy objective to
19 foster rural economic development by providing tax relief to large
20 capital projects by nonprofit entities.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08
2 RCW to read as follows:

3 (1) The tax levied by RCW 82.08.020 does not apply to charges
4 made for labor and services rendered in respect to the construction
5 of a qualified facility, to sales of tangible personal property that
6 will be incorporated as an ingredient or component of such building
7 during the course of constructing, or to labor and services rendered
8 in respect to installing, during the course of constructing, building
9 fixtures not otherwise eligible for an exemption. The exemption is
10 available only when the buyer provides the seller with an exemption
11 certificate in a form and manner prescribed by the department. The
12 seller must retain a copy of the certificate for the seller's files.

13 (2) No application is necessary for the tax exemption. A person
14 claiming the exemption under this section is subject to all the
15 requirements of chapter 82.32 RCW.

16 (3) For the purposes of this section, "qualified facility" means
17 a community multipurpose arts and events facility being built in a
18 city with a population of less than twenty-five thousand in a county
19 with a population of less than eighty thousand that contains a
20 national park and national wildlife refuge.

21 (4) This section expires January 1, 2025.

22 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12
23 RCW to read as follows:

24 (1) The provisions of this chapter do not apply with respect to
25 the use of tangible personal property that will be incorporated as an
26 ingredient or component of a qualified facility during the course of
27 constructing such facility or to labor and services rendered in
28 respect to installing, during the course of constructing, building
29 fixtures not otherwise eligible for an exemption.

30 (2) The eligibility requirements, conditions, and definitions in
31 section 2 of this act apply to this section.

32 (3) No exemption may be taken after the expiration of this
33 section; however, all eligibility criteria and limitations are
34 applicable to any exemptions claimed before that date.

35 (4) This section expires January 1, 2025.

36 NEW SECTION. **Sec. 4.** This act is exempt from the requirements
37 of RCW 82.32.808.

1 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of
3 the state government and its existing public institutions, and takes
4 effect immediately.

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