
SENATE BILL 5337

State of Washington

66th Legislature

2019 Regular Session

By Senators Takko and Holy

1 AN ACT Relating to expanding a sales and use tax exemption for
2 personal property sold between political subdivisions to include
3 sales or uses of personal property as a result of a merger or sales
4 or uses of personal property made under contractual consolidations in
5 which the taxpayer that originally paid the sales or use tax
6 continues to benefit from the personal property; amending RCW
7 82.08.0278 and 82.12.0274; creating a new section; and providing an
8 expiration date.

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

10 **Sec. 1.** RCW 82.08.0278 and 1980 c 37 s 44 are each amended to
11 read as follows:

12 The tax levied by RCW 82.08.020 (~~shall~~) does not apply to:

13 (1) Sales to one political subdivision by another political
14 subdivision directly or indirectly arising out of or resulting from
15 the annexation, merger, or incorporation of any part of the territory
16 of one political subdivision by another; and

17 (2) Sales to one political subdivision by another political
18 subdivision pursuant to the terms of a contractual consolidation
19 under which the taxpayers that originally paid a sales or use tax
20 continue to benefit from the personal property.

1 **Sec. 2.** RCW 82.12.0274 and 1980 c 37 s 72 are each amended to
2 read as follows:

3 The provisions of this chapter (~~shall~~) do not apply in respect
4 to:

5 (1) The use of the personal property of one political subdivision
6 by another political subdivision directly or indirectly arising out
7 of or resulting from the annexation, merger, or incorporation of any
8 part of the territory of one political subdivision by another; and

9 (2) The use of the personal property of one political subdivision
10 by another political subdivision pursuant to the terms of a
11 contractual consolidation under which the taxpayers that originally
12 paid a sales or use tax continue to benefit from the personal
13 property.

14 NEW SECTION. **Sec. 3.** The provisions of RCW 82.32.808 do not
15 apply to this act.

16 NEW SECTION. **Sec. 4.** This act expires January 1, 2030.

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