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**SENATE BILL 5674**

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**State of Washington 69th Legislature 2025 Regular Session**

**By** Senators Boehnke and Dozier

AN ACT Relating to manufacturing facilities; adding a new section to chapter 84.36 RCW; creating new sections; and providing an expiration date.

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

NEW SECTION. **Sec.**  It is the purpose of this act to retain and increase manufacturing opportunities in Washington state. Chapter 64, Laws of 2021, also known as the Washington BEST manufacturing act, which was approved unanimously by the legislature in 2021, calls for a doubling of Washington's manufacturing jobs over the next 10 years, along with a doubling of the number of manufacturing firms owned by women and people of color. It is further the purpose of this act to stimulate the construction of new manufacturing facilities and the rehabilitation of existing vacant and underutilized buildings for manufacturing purposes. To achieve these purposes, this chapter provides for special valuations for eligible improvements associated with manufacturing.

NEW SECTION. **Sec.**  A new section is added to chapter 84.36 RCW to read as follows:

(1)(a) All buildings, machinery, equipment, and other personal property which is used primarily for manufacturing, the land upon which the property is located, and land that is reasonably necessary for the manufacturing facility, which together comprise a new manufacturing facility or an addition to an existing manufacturing facility, is exempt from property taxation for the six assessment years following the date on which the facility or the addition to the existing facility becomes operational.

(b) In addition to the conditions in (a) of this subsection, if the facility is a green manufacturing facility, or a manufacturing facility that exports goods through Washington seaports, all buildings, machinery, equipment, and other personal property that is used primarily for manufacturing, the land upon which this property is located, and land that is reasonably necessary for the manufacturing facility, which together comprise a new manufacturing facility or an addition to an existing manufacturing facility, is exempt from property taxation for the eight assessment years following the date on which the facility or the addition to the existing facility becomes operational.

(2) Claims for exemptions authorized by this section must be filed with the county assessor on forms prescribed by the department and furnished by the assessor. Once filed, the exemption is valid for six years or eight years and may not be renewed. The county assessor shall verify and approve claims as the assessor determines to be justified and in accordance with this section. The department may adopt rules as necessary to properly administer this section.

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

(a) "Green manufacturing facility" means a manufacturing facility that has been certified by a state or nationally recognized organization that rates the sustainability of the manufacturing process.

(b) "Manufacturing facility" means a facility that is used to manufacture, as defined in RCW 82.04.120.

(4) This section expires January 1, 2036.

NEW SECTION. **Sec.**  Section 2 of this act applies for taxes levied for collection in calendar years 2026 through 2035.

NEW SECTION. **Sec.**  RCW 82.32.808 does not apply to this act.

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