
HOUSE BILL 3354

State of Washington 60th Legislature 2008 Regular Session

By Representatives Blake, Kretz, Grant, Orcutt, VanDeWege, Takko, Crouse, Walsh, Kessler, Herrera, Wood, Kristiansen, McCune, and Dunn

Read first time 02/06/08. Referred to Committee on Finance.

1 AN ACT Relating to providing sales and use tax exemptions on the
2 sale of organic biomass purchased by a light and power business or
3 forest products company for the production of steam to generate
4 electricity or for use in a production process; adding a new section to
5 chapter 82.08 RCW; and adding a new section to chapter 82.12 RCW.

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

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

9 (1) The tax levied by RCW 82.08.020 does not apply to sales of
10 organic biomass to a qualified business.

11 (2) For the purposes of this section and section 2 of this act:

12 (a) "Organic biomass" means: (i) Solid organic fuels from wood or
13 forest residue that do not include wood pieces that have been treated
14 with chemical preservatives such as creosote, pentachlorophenol, or
15 copper-chrome-arsenic; or (ii) byproducts of wood manufacturing
16 processes, including but not limited to bark, wood chips, and sawdust,
17 where wood pieces were not treated with chemical preservatives.

18 (b) "Qualified business" means a light and power business or forest
19 products company located in Washington that uses organic biomass for

1 the primary purpose of burning the biomass in a boiler to produce steam
2 to either: (i) Generate electricity; or (ii) be used in the production
3 process; or both.

4 (c) "Forest products company" means a person engaged in the
5 business of manufacturing or processing for hire: (i) Timber into
6 timber products or wood products; or (ii) timber products into other
7 timber products or wood products.

8 (d) "Timber products" means logs, wood chips, sawdust, wood waste,
9 and similar products obtained wholly from the processing of timber;
10 pulp; and recycled paper products.

11 (e) "Wood products" means paper and paper products; dimensional
12 lumber; engineered wood products such as particleboard, oriented strand
13 board, medium density fiberboard, and plywood; wood doors; and wood
14 windows.

15 (f) "Light and power business" has the same meaning as defined
16 under RCW 82.16.010.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW
18 to read as follows:

19 (1) The provisions of this chapter do not apply in respect to the
20 use of organic biomass, if used by a qualified business.

21 (2) The definitions in section 1 of this act apply to this section.

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