
HOUSE BILL 1141

State of Washington

61st Legislature

2009 Regular Session

By Representatives Lias, Sells, Chase, Springer, Ormsby, Simpson, Miloscia, Williams, Nelson, Dickerson, White, Goodman, and Hinkle

Read first time 01/14/09. Referred to Committee on Local Government & Housing.

1 AN ACT Relating to a sales and use tax rebate for materials and
2 services related to the construction of affordable housing; adding a
3 new section to chapter 82.08 RCW; adding a new section to chapter 82.12
4 RCW; and providing an expiration date.

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

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

8 (1) An exemption in the form of a refund is provided for state and
9 local sales taxes imposed on the sale of tangible personal property and
10 labor and services to a limited liability company, or other company, if
11 the property and services are used to construct new housing or
12 reconstruct existing housing and the company has received a commitment
13 of funding to pay for the property or services in whole or in part,
14 from a federal, state, or local housing program.

15 (2) Sellers shall collect sales tax on sales subject to this
16 exemption. The buyer shall apply for a refund directly from the
17 department in a form and manner prescribed by the department. The
18 department may require the submittal of any documentation it deems
19 necessary to verify eligibility for the exemption.

1 (3) The department of community, trade, and economic development
2 shall work with the department and the joint legislative audit and
3 review committee to develop performance measures related to the
4 effectiveness of the exemption authorized in this section and section
5 2 of this act in increasing the production of affordable housing.
6 These performance measures must be based upon data collected by the
7 department in the remittal process.

8 (4) A local jurisdiction may require a company exempt from tax
9 under this section or section 2 of this act to make payments to the
10 jurisdiction for improvements, services, and facilities furnished by
11 the jurisdiction for the benefit of housing for which the construction
12 of the housing is subject to the exemption under this section or
13 section 2 of this act. However, these required payments may not exceed
14 the amount that would have otherwise been distributed to the
15 jurisdiction if not for the tax exemption provided under this section
16 or section 2 of this act.

17 (5) For the purposes of this section, "local jurisdiction" means
18 a city, town, county, housing authority, public development authority,
19 or tribe.

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

22 (1) An exemption in the form of a refund is provided for the tax
23 imposed under this chapter for the use of tangible personal property
24 and labor and services by a limited liability company, or other
25 company, if the conditions, requirements, and definitions under section
26 1 of this act are met.

27 (2) Sellers obligated to collect use tax shall collect tax on sales
28 subject to this exemption. The buyer shall apply for a refund directly
29 from the department in a form and manner prescribed by the department.

30 NEW SECTION. **Sec. 3.** This act expires July 1, 2014.

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