
HOUSE BILL 2977

State of Washington 61st Legislature 2010 Regular Session

By Representatives Hunter and Orcutt

Read first time 01/19/10. Referred to Committee on Finance.

1 AN ACT Relating to providing expiration dates for certain
2 environmental tax incentives; amending RCW 82.08.890 and 82.12.890; and
3 providing expiration dates.

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

5 **Sec. 1.** RCW 82.08.890 and 2009 c 469 s 601 are each amended to
6 read as follows:

7 (1) The tax levied by RCW 82.08.020 does not apply to sales to
8 eligible persons of:

9 (a) Qualifying livestock nutrient management equipment;

10 (b) Labor and services rendered in respect to installing,
11 repairing, cleaning, altering, or improving qualifying livestock
12 nutrient management equipment; and

13 (c)(i) Labor and services rendered in respect to repairing,
14 cleaning, altering, or improving of qualifying livestock nutrient
15 management facilities, or to tangible personal property that becomes an
16 ingredient or component of qualifying livestock nutrient management
17 facilities in the course of repairing, cleaning, altering, or improving
18 of such facilities.

1 (ii) The exemption provided in this subsection (1)(c) does not
2 apply to the sale of or charge made for: (A) Labor and services
3 rendered in respect to the constructing of new, or replacing previously
4 existing, qualifying livestock nutrient management facilities; or (B)
5 tangible personal property that becomes an ingredient or component of
6 qualifying livestock nutrient management facilities during the course
7 of constructing new, or replacing previously existing, qualifying
8 livestock nutrient management facilities.

9 (2) The exemption provided in subsection (1) of this section
10 applies to sales made after the livestock nutrient management plan is:
11 (a) Certified under chapter 90.64 RCW; (b) approved as part of the
12 permit issued under chapter 90.48 RCW; or (c) approved as required
13 under subsection (4)(c)(iii) of this section.

14 (3)(a) The department of revenue must provide an exemption
15 certificate to an eligible person upon application by that person. The
16 department of agriculture must provide a list of eligible persons, as
17 defined in subsection (4)(c)(i) and (ii) of this section, to the
18 department of revenue. Conservation districts must maintain lists of
19 eligible persons as defined in subsection (4)(c)(iii) of this section
20 to allow the department of revenue to verify eligibility. The
21 application must be in a form and manner prescribed by the department
22 and must contain information regarding the location of the dairy or
23 animal feeding operation and other information the department may
24 require.

25 (b) A person claiming an exemption under this section must keep
26 records necessary for the department to verify eligibility under this
27 section. The exemption is available only when the buyer provides the
28 seller with an exemption certificate in a form and manner prescribed by
29 the department. The seller must retain a copy of the certificate for
30 the seller's files.

31 (4) The definitions in this subsection apply to this section and
32 RCW 82.12.890 unless the context clearly requires otherwise:

33 (a) "Animal feeding operation" means a lot or facility, other than
34 an aquatic animal production facility, where the following conditions
35 are met:

36 (i) Animals, other than aquatic animals, have been, are, or will be
37 stabled or confined and fed or maintained for a total of forty-five
38 days or more in any twelve-month period; and

1 (ii) Crops, vegetation, forage growth, or postharvest residues are
2 not sustained in the normal growing season over any portion of the lot
3 or facility.

4 (b) "Conservation district" means a subdivision of state government
5 organized under chapter 89.08 RCW.

6 (c) "Eligible person" means a person: (i) Licensed to produce milk
7 under chapter 15.36 RCW who has a certified dairy nutrient management
8 plan, as required by chapter 90.64 RCW; (ii) who owns an animal feeding
9 operation and has a permit issued under chapter 90.48 RCW; or (iii) who
10 owns an animal feeding operation and has a nutrient management plan
11 approved by a conservation district as meeting natural resource
12 conservation service field office technical guide standards and who
13 possesses an exemption certificate under RCW 82.08.855.

14 (d) "Handling and treatment of livestock manure" means the
15 activities of collecting, storing, moving, or transporting livestock
16 manure, separating livestock manure solids from liquids, or applying
17 livestock manure to the agricultural lands of an eligible person other
18 than through the use of pivot or linear type traveling irrigation
19 systems.

20 (e) "Permit" means either a state waste discharge permit or a
21 national pollutant discharge elimination system permit, or both.

22 (f) "Qualifying livestock nutrient management equipment" means the
23 following tangible personal property for exclusive use in the handling
24 and treatment of livestock manure, including repair and replacement
25 parts for such equipment: (i) Aerators; (ii) agitators; (iii) augers;
26 (iv) conveyers; (v) gutter cleaners; (vi) hard-hose reel traveler
27 irrigation systems; (vii) lagoon and pond liners and floating covers;
28 (viii) loaders; (ix) manure composting devices; (x) manure spreaders;
29 (xi) manure tank wagons; (xii) manure vacuum tanks; (xiii) poultry
30 house cleaners; (xiv) poultry house flame sterilizers; (xv) poultry
31 house washers; (xvi) poultry litter saver machines; (xvii) pipes;
32 (xviii) pumps; (xix) scrapers; (xx) separators; (xxi) slurry injectors
33 and hoses; and (xxii) wheelbarrows, shovels, and pitchforks.

34 (g) "Qualifying livestock nutrient management facilities" means the
35 following structures and facilities for exclusive use in the handling
36 and treatment of livestock manure: (i) Flush systems; (ii) lagoons;
37 (iii) liquid livestock manure storage structures, such as concrete

1 tanks or glass-lined steel tanks; and (iv) structures used solely for
2 the dry storage of manure, including roofed stacking facilities.

3 (5) This section expires July 1, 2019.

4 **Sec. 2.** RCW 82.12.890 and 2009 c 469 s 602 are each amended to
5 read as follows:

6 (1) The provisions of this chapter do not apply with respect to the
7 use by an eligible person of:

- 8 (a) Qualifying livestock nutrient management equipment;
- 9 (b) Labor and services rendered in respect to installing,
10 repairing, cleaning, altering, or improving qualifying livestock
11 nutrient management equipment; and

12 (c)(i) Tangible personal property that becomes an ingredient or
13 component of qualifying livestock nutrient management facilities in the
14 course of repairing, cleaning, altering, or improving of such
15 facilities.

16 (ii) The exemption provided in this subsection (1)(c) does not
17 apply to the use of tangible personal property that becomes an
18 ingredient or component of qualifying livestock nutrient management
19 facilities during the course of constructing new, or replacing
20 previously existing, qualifying livestock nutrient management
21 facilities.

22 (2)(a) To be eligible, the equipment and facilities must be used
23 exclusively for activities necessary to maintain a livestock nutrient
24 management plan.

25 (b) The exemption applies to the use of tangible personal property
26 and labor and services made after the livestock nutrient management
27 plan is: (i) Certified under chapter 90.64 RCW; (ii) approved as part
28 of the permit issued under chapter 90.48 RCW; or (iii) approved as
29 required under RCW 82.08.890(4)(c)(iii).

30 (3) The exemption certificate and recordkeeping requirements of RCW
31 82.08.890 apply to this section. The definitions in RCW 82.08.890
32 apply to this section.

33 (4) This section expires July 1, 2019.

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