
HOUSE BILL 2270

State of Washington 63rd Legislature 2014 Regular Session

By Representatives Taylor, Shea, Overstreet, Scott, Magendanz, and Santos

Read first time 01/15/14. Referred to Committee on Finance.

1 AN ACT Relating to exempting school districts from the state
2 portion of sales and use taxes on school construction; adding a new
3 section to chapter 82.08 RCW; adding a new section to chapter 82.12
4 RCW; creating a new section; and providing an effective 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) School districts are eligible for an exemption from sales tax
9 in the form of a remittance as provided in this section. The school
10 district must have paid the tax levied by RCW 82.08.020 on the sale of
11 or charge made for labor and materials used for qualifying
12 construction. The amount of the remittance is computed under
13 subsection (2) of this section and is based on the state share of sales
14 tax.

15 (2)(a) A person claiming an exemption from state tax in the form of
16 a remittance under this section must pay the tax imposed by RCW
17 82.08.020. The school district may then apply to the department for
18 remittance of all the tax paid under RCW 82.08.020.

1 (b) The department must determine eligibility under this section
2 based on information provided by the district and through audit and
3 other administrative records. The district may on a quarterly basis
4 submit an information sheet, in a form and manner as required by the
5 department by rule, specifying the amount of exempted tax claimed and
6 the qualifying construction for which the exemption is claimed.

7 (c) The department must on a quarterly basis remit exempted amounts
8 to qualifying districts submitting applications during the previous
9 quarter.

10 (3) For purposes of this section and section 2 of this act, the
11 definitions in this subsection apply to this section.

12 (a) "Qualifying construction" means clearing land, moving earth,
13 site preparation, constructing, repairing, decorating, renovating,
14 expanding, or improving of new or existing buildings, structures,
15 facilities, or any other school ground improvement under, upon, or
16 above real property.

17 (b) "School district" or "district" has the meaning provided in RCW
18 28A.315.025.

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

21 (1) School districts are eligible for an exemption from use tax in
22 the form of a remittance as provided in this section. The district
23 must have paid the tax levied under this chapter on the use of labor or
24 materials, or both, for qualifying construction.

25 (2) The definitions and requirements of section 1 of this act apply
26 to this section.

27 NEW SECTION. **Sec. 3.** This act takes effect July 1, 2014.

28 NEW SECTION. **Sec. 4.** This act applies to the sale of, charge
29 made, or use of labor and materials for qualifying construction that
30 occurs on or after July 1, 2015.

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