CERTIFICATION OF ENROLLMENT

HOUSE BILL 2290

Chapter 166, Laws of 1996

54th Legislature
1996 Regular Session

WIND ENERGY AND SOLAR ELECTRIC GENERATION
FACILITIES--SALES AND USE TAX EXEMPTIONS FOR CONSTRUCTION

EFFECTIVE DATE: 7/1/96

Passed by the House March 7, 1996
Yeas 98 Nays 0

Passed by the Senate March 7, 1996
Yeas 49 Nays 0

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is HOUSE BILL 2290 as passed by the House of Representatives and the Senate on the dates hereon set forth.

JOEL PRITCHARD
President of the Senate

TIMOTHY A. MARTIN
Chief Clerk

MIKE LOWRY
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to exempting construction of wind energy and solar electric generating facilities from sales and use tax; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; providing an effective date; and providing expiration dates.

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

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

(1) The tax levied by RCW 82.08.020 shall not apply to sales of machinery and equipment used directly in generating electricity using the wind or sun energy as the principal source of power, or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment, but only if the purchaser develops with such machinery, equipment, and labor a facility capable of generating not less than two hundred kilowatts of electricity and provides the seller with an exemption certificate in a form and manner prescribed by the department by rule, and the purchaser provides the department with a duplicate of the certificate or a summary of exempt sales as the department may require. The seller shall retain a copy of the certificate for the seller’s files.
(2) For purposes of this section and section 2 of this act:
   (a) "Machinery and equipment" means industrial fixtures, devices, and support facilities that are integral and necessary to the generation of electricity using the wind or sun energy as the principal source of power;
   (b) "Machinery and equipment" does not include: (i) Hand tools; (ii) property with a useful life of less than one year; (iii) repair parts required to restore machinery and equipment to normal working order; (iv) replacement parts that do not increase productivity, improve efficiency, or extend the useful life of machinery and equipment; (v) buildings; or (vi) building fixtures that are not integral and necessary to the generation of electricity that are permanently affixed to and become a physical part of a building;
   (c) Machinery and equipment is "used directly" in generating electricity by wind or solar power if it provides any part of the process that captures the energy of the wind or sun, converts that energy to electricity, and transforms or transmits that electricity for entry into electric transmission and distribution systems.
   (3) This section expires June 30, 2005.

NEW SECTION. Sec. 2. A new section is added to chapter 82.12 RCW to read as follows:
(1) The provisions of this chapter shall not apply with respect to machinery and equipment used directly in generating not less than two hundred kilowatts of electricity using the wind or sun as the principal source of power, but only when the user provides the department with:
   (a) An exemption certificate in a form and manner prescribed by the department within sixty days of the first use of such machinery and equipment in this state; or
   (b) An annual summary listing the machinery and equipment by January 31st of the year following the calendar year in which the machinery and equipment is first used in this state.
(2) The definitions in section 1 of this act apply to this section.
(3) This section expires June 30, 2005.

NEW SECTION. Sec. 3. This act shall take effect July 1, 1996.
Passed the House March 7, 1996.
Passed the Senate March 7, 1996.
Approved by the Governor March 28, 1996.
Filed in Office of Secretary of State March 28, 1996.