

5201-S

Sponsor(s): Senate Committee on Ways & Means (originally sponsored by Senators Bauer, Cantu, McAuliffe, Haugen, Winsley, Snyder, Loveland, Sheldon, Fairley, West, Long, Palmer, Schow, Moyer, Sellar, Rasmussen, Deccio, Heavey, Quigley, C. Anderson, Oke, Roach and Hale; by request of Governor Lowry)

Brief Description: Providing tax exemptions for manufacturing and processing.

SB 5201-S.2E - DIGEST

(DIGEST AS ENACTED)

Declares an intent to stimulate the development of new businesses and the expansion or modernization of existing businesses by removal of tax policy barriers.

Provides that sales and use taxes shall not apply to machinery and equipment used directly in a manufacturing process or in pollution control efforts required by federal or state laws.

Includes that portion of a cogeneration project that is used to generate power for on-site consumption.

Revises the distressed area tax deferral program.

Establishes circumstances when deferred taxes need not be repaid.

Terminates the new business tax deferral program for businesses not involved in manufacturing and research and development on December 31, 1995.

Requires legislative fiscal committees to analyze the economic impacts of the tax exemptions and report by December 1, 1999.

Repeals RCW 82.61.020, 82.61.040, 82.63.040, and 82.63.050.