CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1339

Chapter 118, Laws of 2001

57th Legislature
2001 Regular Legislative Session

TAXATION--FARMERS

EFFECTIVE DATE: 7/22/01

Passed by the House March 9, 2001
Yeas 97  Nays 0

FRANK CHOPP
Speaker of the House of Representatives

Passed by the Senate April 9, 2001
Yeas 46  Nays 0

BRAD OWEN
President of the Senate

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is SUBSTITUTE HOUSE BILL 1339 as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

CYNTHIA ZEHNDER
Chief Clerk

GARY LOCKE
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to providing equity in the taxation of farmers; and amending RCW 82.04.100, 82.04.213, 82.04.330, 82.08.0259, 82.12.0261, 82.19.040, and 82.19.050.

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

Sec. 1. RCW 82.04.100 and 1987 c 23 s 3 are each amended to read as follows:

"Extractor" means every person who from the person's own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, for sale or for commercial or industrial use mines, quarries, takes or produces coal, oil, natural gas, ore, stone, sand, gravel, clay, mineral or other natural resource product, or fells, cuts or takes timber, Christmas trees other than plantation Christmas trees, or other natural products, or takes fish, (or takes, cultivates, or raises) shellfish, or other sea or inland water foods or products. "Extractor" does not include persons performing under contract the necessary labor or mechanical services for others (persons cultivating or raising fish entirely within confined rearing areas on the person's own land or on land in which the
person has a present right of possession); or persons (who fell, cut, or take plantation Christmas trees from the person’s own land or from land in which the person has a present right of possession) meeting the definition of farmer under RCW 82.04.213.

Sec. 2. RCW 82.04.213 and 1993 sp.s. c 25 s 302 are each amended to read as follows:

(1) "Agricultural product" means any product of plant cultivation or animal husbandry including, but not limited to: A product of horticulture, grain cultivation, vermiculture, viticulture, or aquaculture as defined in RCW 15.85.020; plantation Christmas trees; turf; or any animal including but not limited to an animal that is a private sector cultured aquatic product as defined in RCW 15.85.020, or a bird, or insect, or the substances obtained from such an animal. "Agricultural product" does not include animals ((intended to be pets)) defined as pet animals under RCW 16.70.020.

(2) "Farmer" means any person engaged in the business of growing, raising, or producing, upon the person’s own lands or upon the lands in which the person has a present right of possession, any agricultural product ((whatsoever for sale)) to be sold. "Farmer" does not include ((a person using such products as ingredients in a manufacturing process, or)) a person growing, raising, or producing such products for the person’s own consumption((. "Farmer" does not include)); a person selling any animal or substance obtained therefrom in connection with the person’s business of operating a stockyard or a slaughter or packing house((. "Farmer" does not include any)); or a person in respect to the business of taking, cultivating, or raising timber.

Sec. 3. RCW 82.04.330 and 1993 sp.s. c 25 s 305 are each amended to read as follows:

This chapter shall not apply to any farmer that sells any agricultural product at wholesale or to any farmer who grows, raises, or produces agricultural products owned by others, such as custom feed operations. This exemption shall not apply to any person selling such products at retail or to any person selling manufactured substances or articles.

This chapter shall also not apply to any persons who participate in the federal conservation reserve program or its successor administered
by the United States department of agriculture with respect to land enrolled in that program.

Sec. 4. RCW 82.08.0259 and 1980 c 37 s 27 are each amended to read as follows:

The tax levied by RCW 82.08.020 shall not apply to sales of ((purebred)) livestock, as defined in RCW 16.36.005, for breeding purposes where the animals are registered in a nationally recognized breed association; or to sales of cattle and milk cows used on the farm.

Sec. 5. RCW 82.12.0261 and 1980 c 37 s 60 are each amended to read as follows:

The provisions of this chapter shall not apply in respect to the use of ((purebred)) livestock, as defined in RCW 16.36.005, for breeding purposes where said animals are registered in a nationally recognized breed association; or to sales of cattle and milk cows used on the farm.

Sec. 6. RCW 82.19.040 and 1992 c 175 s 6 are each amended to read as follows:

(1) To the extent applicable, all of the ((provisions)) definitions of chapter((s)) 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the tax imposed in this chapter((, except RCW 82.04.220 through 82.04.290, and 82.04.330)).

(2) Taxes collected under this chapter shall be deposited in the waste reduction, recycling, and litter control account under RCW 70.93.180.

Sec. 7. RCW 82.19.050 and 1992 c 175 s 7 are each amended to read as follows:

The litter tax imposed in this chapter does not apply to:

(1) The manufacture or sale of products for use and consumption outside the state; or

(2) The value of products or gross proceeds of the sales ((of any animal, bird, or insect or the milk, eggs, wool, fur, meat, honey, or other substance obtained therefrom, if the person performs only the growing or raising function of such animal, bird, or insect)) exempt from tax under RCW 82.04.330.
Passed the House March 9, 2001.
Passed the Senate April 9, 2001.
Approved by the Governor April 27, 2001.
Filed in Office of Secretary of State April 27, 2001.