S-2175.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SENATE BILL 5979**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 66th Legislature 2019 Regular Session**

**By** Senator Honeyford

AN ACT Relating to providing a sales and use tax deferral for the construction of facilities used for mushroom farming; and adding a new section to chapter 82.32 RCW.

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

NEW SECTION. **Sec.**  A new section is added to chapter 82.32 RCW to read as follows:

(1) A person may apply for deferral of taxes on the construction of buildings, site preparation, and the acquisition of related machinery and equipment used for the purpose of mushroom farming. Application must be made to the department in a form and manner prescribed by the department. The application must contain information regarding the location of the mushroom farm, estimated or actual costs, time schedules for completion and operation, and other information required by the department. The department must approve the application within sixty days if it meets the requirements of this section.

(2) The department must issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW on the construction of buildings, site preparation, and the acquisition of related machinery and equipment used for the purpose of mushroom farming.

(3) The person must begin paying the deferred taxes in the fifth year after the date certified by the department as the date on which the mushroom farm is operationally complete. The first payment is due on December 31st of the fifth calendar year after such certified date, with subsequent annual payments due on December 31st of the following nine years. Each payment must equal ten percent of the deferred tax.

(4) The department may authorize an accelerated repayment schedule upon request of the person.

(5) Interest may not be charged on any taxes deferred under this section for the period of deferral, although all other penalties and interest applicable to delinquent excise taxes may be assessed and imposed for delinquent payments under this section. The debt for deferred taxes is not extinguished by insolvency or other failure of the person claiming a sales and use tax deferral under this section.

(6) Applications and any other information received by the department under this section are not confidential and are subject to disclosure.

(7) This chapter applies to the administration of this section.

(8) A person may apply for a deferral of taxes under this section for only one location.

(9) This section is exempt from the provisions of RCW 82.32.805 and 82.32.808.

**--- END ---**