## SENATE BILL 5847

61st Legislature

2009 Regular Session

By Senators Kastama and Shin

State of Washington

Read first time 02/04/09. Referred to Committee on Economic Development, Trade & Innovation.

- 1 AN ACT Relating to the development of clean technology within port
- 2 district properties; adding a new section to chapter 82.08 RCW; adding
- a new section to chapter 82.12 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that it is important
- 6 to promote the advancement in clean technology industries within port
- 7 district properties throughout the state. Therefore, it is the intent
- 8 of the legislature to encourage the development of clean technology
- 9 industries by providing certain incentives to site those industries at
- 10 port district properties that serve as incubators for the development
- 11 of clean technology.
- 12 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 82.08 RCW
- 13 to read as follows:
- 14 (1) The tax imposed by RCW 82.08.020 does not apply to the sales of
- 15 material or labor used directly in the construction of new facilities
- 16 within port district properties that serve as incubators for the
- 17 development of clean technology industries, or to the sales of

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- 1 machinery or equipment used directly in the development of clean 2 technology from such port district properties.
  - (2) The purchaser must provide the seller with an exemption certificate in a form and manner prescribed by the department by rule. The seller must retain a copy of the certificate for the seller's files.
    - (3) For the purposes of this section:

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- (a) "Clean technology" means products and services that use renewable materials and energy sources, decrease the use of natural resources, cut or eliminate emissions and wastes, and add economic value compared to traditional alternatives; and
- 12 (b) "Machinery and equipment" means industrial fixtures, devices, 13 and support facilities that are integral and necessary to the development of clean technology. "Machinery and equipment" does not 14 include: (i) Hand-powered tools; (ii) property with a useful life of 15 less than one year; (iii) repair parts required to restore machinery 16 17 and equipment to normal working order; (iv) replacement parts that do not increase productivity, improve efficiency, or extend the useful 18 19 life of machinery and equipment; (v) buildings; or (vi) building fixtures that are not integral and necessary to the generation of 20 21 electricity that are permanently affixed to and become a physical part 22 of a building.
- NEW SECTION. Sec. 3. A new section is added to chapter 82.12 RCW to read as follows:
  - (1) The provisions of this chapter do not apply in respect to the use of materials and labor used directly in the construction of new facilities within port district properties that serve as incubators for the development of clean technology industries, or to the sales of machinery or equipment used directly in the development of clean technology from such port district properties.
- 31 (2) The definitions in section 2 of this act apply to this section.

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