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**SSB 5072** - H COMM AMD

By Committee on Community Development, Housing & Tribal Affairs

**NOT CONSIDERED 04/26/2013**

Strike everything after the enacting clause and insert the following:

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

(1) The tax imposed by RCW 82.08.020 does not apply to sales to eligible purchasers of prescribed add-on automotive adaptive equipment, including charges incurred for labor and services rendered in respect to the installation and repairing of such equipment. The exemption provided in this section only applies if the eligible purchaser is reimbursed in whole or part for the purchase by the United States department of veterans affairs or other federal agency, and the reimbursement is paid directly by the federal agency to the seller.

(2) Sellers making tax-exempt sales under this section must obtain an exemption certificate from the eligible purchaser in a form and manner prescribed by the federal agency that provides the reimbursement. The seller must retain a copy of the exemption certificate for the seller's files. In lieu of an exemption certificate, a seller may capture the relevant data elements as allowed under the streamlined sales and use tax agreement.

(3) For purposes of this section, the following definitions apply unless the context clearly requires otherwise:

(a) "Add-on automotive adaptive equipment" means equipment installed in, and modifications made to, a motor vehicle that are necessary to assist physically challenged persons to enter, exit, or safely operate a motor vehicle. The term includes but is not limited to wheelchair lifts, wheelchair restraints, ramps, under vehicle lifts, power door openers, power seats, lowered floors, raised roofs, raised doors, hand controls, left foot gas pedals, chest and shoulder harnesses, parking brake extensions, dual battery systems, steering devices, reduced and zero effort steering and braking, voice-activated controls, and digital driving systems. The term does not include motor vehicles and equipment installed in a motor vehicle by the manufacturer of the motor vehicle.

(b) "Eligible purchaser" means a veteran, or member of the armed forces serving on active duty, who is disabled, regardless of whether the disability is service connected as that term is defined by federal statute 38 U.S.C. Sec. 101, as amended, as of August 1, 2013.

(c) "Prescribed add-on automotive adaptive equipment" means add-on automotive adaptive equipment prescribed by a physician.

NEW SECTION. **Sec.** A new section is added to chapter 82.12 RCW to read as follows:

(1) The tax imposed by RCW 82.12.020 does not apply to the use of prescribed add-on automotive adaptive equipment or to labor and services rendered in respect to the installation and repairing of such equipment. The exemption under this section only applies if the sale of the prescribed add-on automotive adaptive equipment or labor and services was exempt from sales tax under section 1 of this act or would have been exempt from sales tax under section 1 of this act if the equipment or labor and services had been purchased in this state.

(2) For purposes of this section, "prescribed add-on automotive adaptive equipment" has the same meaning as provided in section 1 of this act.

NEW SECTION. **Sec.** This act takes effect August 1, 2013."

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|  | EFFECT:    Changes "the federal government" to "the United States Department of Veterans Affairs or other federal agency" in reference to who must reimburse the purchaser of equipment in order to qualify for the tax exemption. Replaces the undefined references to "the department" and "that agency" in Section 1 with references that relate specifically to the federal agency that provides reimbursement. |

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