**6080-S2 AMS HASE S6185.2 - NOT FOR FLOOR USE**

**2SSB 6080** - S AMD **953**

By Senator Hasegawa

On page 1, beginning on line 7, after (1) strike all material through "power." on line 13 and insert "((~~(a)~~)) Except as provided in subsection (4) of this section, the tax levied by RCW 82.08.020 does not apply to:

(a) Sales of new passenger cars, light duty trucks, and medium duty passenger vehicles, which (i) are exclusively powered by a clean alternative fuel or (ii) use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least thirty miles using only battery power."

On page 1, line 14, after "(b)" insert "Beginning on the effective date of this section, sales of only used passenger cars, light duty trucks, and medium duty passenger vehicles, which (i) are exclusively powered by a clean alternative fuel or (ii) use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least thirty miles using only battery power.

(c)"

Correct any internal references accordingly.

On page 1, line 14, after "made" strike "or lease agreements signed on or" and insert "((~~or lease agreements signed on or~~))"

On page 1, beginning on line 16, after "price" strike all material through "section" on line 20 and insert "((~~or the total lease payments made plus the selling price of the leased vehicle if the original lessee purchases the leased vehicle before the expiration of the exemption as described in subsection (6) of this section~~))"

Beginning on page 2, line 34, after "(e)" strike all material through "dollars" on page 3, line 2, and insert "((~~For leased vehicles identified in subsection (1)(a) of this section for which the lease agreement is signed on or after July 1, 2016, and before the expiration of the exemption as described in subsection (6) of this section, lease payments are not exempt from sales tax as described under subsection (1)(b) of this section if, at the inception of the lease, the lowest manufacturer's suggested retail price, as determined in rule by the department of licensing pursuant to chapter 34.05 RCW, for the base model is more than forty-two thousand five hundred dollars~~)) The eligibility for leased vehicles identified in subsection (1)(a) of this section for which the lease agreement is signed on or after the effective date of this section, and before the expiration of the exemption as described in subsection (6) of this section, may only be allowed if the monthly payments of the lease agreement total less than two hundred dollars per month"

On page 4, line 2, after "subsection" strike "(1)(b)" and insert "((~~(1)(b)~~)) (4)"

On page 5, beginning on line 8, after "(9)" strike all material through ""qualifying" and insert "((~~For purposes of this section,~~)) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Qualifying"

On page 5, line 11, after "2015" insert "; and

(b) "Used" means, other than the first sale from the manufacturer or first importer, dealer, or agent of the manufacturer or importer, a vehicle which has been sold, bargained, exchanged, given away, or title transferred from the person who holds the title to another person"

On page 5, beginning on line 14, after "(1)" strike all material through "power." on line 20 and insert "((~~(a)~~)) Except as provided in subsection (4) of this section, the provisions of this chapter do not apply in respect to:

(a) The use of new passenger cars, light duty trucks, and medium duty passenger vehicles, which (i) are exclusively powered by a clean alternative fuel or (ii) use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least thirty miles using only battery power."

On page 5, line 21, after "(b)" insert "Beginning on the effective date of this section, the use of only used passenger cars, light duty trucks, and medium duty passenger vehicles, which (i) are exclusively powered by a clean alternative fuel or (ii) use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least thirty miles using only battery power.

(c)"

Correct any internal references accordingly.

On page 5, beginning on line 21, after "made" strike all material through "or" on line 22 and insert "((~~or lease agreements signed on or~~))"

On page 5, beginning on line 24, after "price" strike all material through "82.08.809(6)" on line 27 and insert "((~~or the total lease payments made plus the purchase price of the leased vehicle if the original lessee purchases the leased vehicle before the expiration of the exemption as described in RCW 82.08.809(6)~~))"

On page 6, beginning on line 3, after "82.08.809(6)," strike all material through "82.08.809(6)," on line 6 and insert "((~~or for leased vehicles identified in subsection (1)(a) of this section for which the lease agreement was signed on or after July 1, 2016, and before the expiration of the exemption as described in RCW 82.08.809(6),~~))"

On page 6, beginning on line 9, after "vehicles" strike all material through "vehicles" on line 10 and insert "((~~or at the inception of the lease for leased vehicles~~))"

On page 6, after line 25, insert the following:

"(d) The eligibility for leased vehicles identified in subsection (1)(a) of this section for which the lease agreement is signed on or after the effective date of this section, and before the expiration of the exemption as described in RCW 82.08.809(6), may only be allowed if the monthly payments of the lease agreement total less than two hundred dollars per month."

On page 7, line 18, after "subsection" strike "(1)(b)" and insert "((~~(1)(b)~~)) (4)"

EFFECT: Changes the sales and use tax exemption for certain alternative fuel vehicles to include only used passenger cars, light duty trucks, and medium duty passenger vehicles beginning the effective date of this act. Provides a definition for "used." Requires new lease agreements to have a monthly lease payment of less than $200 in order to be eligible for sales and use tax exemption for alternative fuel vehicles.