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**HOUSE BILL 1115**

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

**By** Representatives Fitzgibbon, Barkis, and Ryu

AN ACT Relating to creating a sales and use tax exemption for commercial car wash facilities; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; and creating new sections.

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

NEW SECTION. **Sec.**  (1) This section is the tax preference performance statement for the tax preferences in sections 2 and 3, chapter . . ., Laws of 2019 (sections 2 and 3 of this act). This performance statement is only intended to be used for the subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to accomplish a general purpose as indicated in RCW 82.32.808(2) (a), (b), (c), and (f).

(3) It is the legislature's specific public policy objective to provide sales and use tax relief for staffed and self-service commercial car wash facilities to accomplish the following general purposes:

(a) To encourage the public to use staffed and self-service commercial car wash facilities by making them affordable, thereby reducing the flow of untreated runoff into the state's streams, lakes, and marine urban areas originating from residential car washing;

(b) To increase industry competitiveness against a generally accepted practice of residential car washing that results in substantial pollution and waste of natural resources, originating in residential neighborhoods;

(c) To create and retain jobs by offsetting increasing costs associated with higher clean water standards (fish consumption rule), permitting, increased wage rates and access to treatment facilities that create barriers to entry and retention of new and ongoing commercial car washing facilities, respectively; and

(d) To promote the declared public policy of the state of Washington to maintain the highest possible standards to ensure the purity of all waters of the state consistent with public health and public enjoyment thereof, the propagation and protection of wildlife, birds, game, fish, and other aquatic life, and industrial development of the state, and to that end require the use of all known available and reasonable methods by industries and others to prevent and control the pollution of the waters of the state of Washington. Consistent with this policy, the state of Washington will exercise its powers, as fully and as effectively as possible, to retain and secure high quality for all waters of the state.

(4) To measure the effectiveness of the exemption provided in this act in achieving the specific public policy objectives described in subsection (3) of this section, the joint legislative audit and review committee must evaluate these tax preferences. In order to obtain the data necessary to perform the evaluation in this subsection, the joint legislative audit and review committee may refer to data provided to the department of revenue.

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

The tax levied by RCW 82.08.020 does not apply to charges for labor and services rendered in respect to staffed and self-service commercial car wash facilities.

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

The provisions of this chapter do not apply with respect to the use of labor and services rendered in respect to staffed and self-service commercial car wash facilities.

NEW SECTION. **Sec.**  This act is exempt from the expiration date provisions of RCW 82.32.805(1)(a).

**--- END ---**