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**SECOND ENGROSSED HOUSE BILL 1757**

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**State of Washington 68th Legislature 2023 Regular Session**

**By** Representatives Corry, Springer, Chapman, Dent, and Schmidt

AN ACT Relating to providing a sales and use tax remittance to qualified farmers; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; and providing an effective date.

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

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

(1) Subject to the limitations of this section, the tax levied by RCW 82.08.020 does not apply to sales of goods and services purchased by an eligible farmer. The exemption under this section is in the form of a remittance.

(2) An eligible farmer claiming an exemption from state and local tax in the form of the remittance under this section must pay the tax under RCW 82.08.020 and all applicable local sales taxes. The eligible farmer must specify the amount of exempted tax claimed and the qualifying purchases for which the exemption is claimed. The eligible farmer must retain, in adequate detail, records to enable the department to determine whether the eligible farmer is entitled to an exemption under this section.

(3) An exemption under this section is limited to $10,000 per eligible farmer and must be claimed prior to January 1, 2030.

(4) For the purposes of this section, "eligible farmer" means a farmer performing custom farming services or farm management services, as those terms are defined in RCW 82.04.758.

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

(1) The provisions of this chapter do not apply with respect to the use of goods or services by an eligible farmer.

(2) The definitions, conditions, and requirements of section 1 of this act apply to this section.

NEW SECTION. **Sec.**  RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. **Sec.**  This act takes effect July 1, 2024.

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