

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2290**

Chapter 166, Laws of 1996

54th Legislature  
1996 Regular Session

WIND ENERGY AND SOLAR ELECTRIC GENERATION  
FACILITIES--SALES AND USE TAX EXEMPTIONS FOR CONSTRUCTION

EFFECTIVE DATE: 7/1/96

Passed by the House March 7, 1996  
Yeas 98 Nays 0

CLYDE BALLARD  
**Speaker of the  
House of Representatives**

Passed by the Senate March 7, 1996  
Yeas 49 Nays 0

JOEL PRITCHARD  
**President of the Senate**

Approved March 28, 1996

MIKE LOWRY  
**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2290** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

March 28, 1996 - 9:41 a.m.

**Secretary of State  
State of Washington**

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HOUSE BILL 2290

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AS AMENDED BY THE SENATE

Passed Legislature - 1996 Regular Session

State of Washington                      54th Legislature                      1996 Regular Session

By Representatives Honeyford, Patterson, Lisk, Clements, Hankins,  
B. Thomas, Mulliken, McMahan, Thompson, Hargrove and Boldt

Read first time 01/09/96. Referred to Committee on Finance.

1            AN ACT Relating to exempting construction of wind energy and solar  
2 electric generating facilities from sales and use tax; adding a new  
3 section to chapter 82.08 RCW; adding a new section to chapter 82.12  
4 RCW; providing an effective date; and providing expiration dates.

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

6            NEW SECTION.    **Sec. 1.** A new section is added to chapter 82.08 RCW  
7 to read as follows:

8            (1) The tax levied by RCW 82.08.020 shall not apply to sales of  
9 machinery and equipment used directly in generating electricity using  
10 the wind or sun energy as the principal source of power, or to sales of  
11 or charges made for labor and services rendered in respect to  
12 installing such machinery and equipment, but only if the purchaser  
13 develops with such machinery, equipment, and labor a facility capable  
14 of generating not less than two hundred kilowatts of electricity and  
15 provides the seller with an exemption certificate in a form and manner  
16 prescribed by the department by rule, and the purchaser provides the  
17 department with a duplicate of the certificate or a summary of exempt  
18 sales as the department may require. The seller shall retain a copy of  
19 the certificate for the seller's files.

1 (2) For purposes of this section and section 2 of this act:

2 (a) "Machinery and equipment" means industrial fixtures, devices,  
3 and support facilities that are integral and necessary to the  
4 generation of electricity using the wind or sun energy as the principal  
5 source of power;

6 (b) "Machinery and equipment" does not include: (i) Hand tools;  
7 (ii) property with a useful life of less than one year; (iii) repair  
8 parts required to restore machinery and equipment to normal working  
9 order; (iv) replacement parts that do not increase productivity,  
10 improve efficiency, or extend the useful life of machinery and  
11 equipment; (v) buildings; or (vi) building fixtures that are not  
12 integral and necessary to the generation of electricity that are  
13 permanently affixed to and become a physical part of a building;

14 (c) Machinery and equipment is "used directly" in generating  
15 electricity by wind or solar power if it provides any part of the  
16 process that captures the energy of the wind or sun, converts that  
17 energy to electricity, and transforms or transmits that electricity for  
18 entry into electric transmission and distribution systems.

19 (3) This section expires June 30, 2005.

20 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW  
21 to read as follows:

22 (1) The provisions of this chapter shall not apply with respect to  
23 machinery and equipment used directly in generating not less than two  
24 hundred kilowatts of electricity using the wind or sun as the principal  
25 source of power, but only when the user provides the department with:

26 (a) An exemption certificate in a form and manner prescribed by the  
27 department within sixty days of the first use of such machinery and  
28 equipment in this state; or

29 (b) An annual summary listing the machinery and equipment by  
30 January 31st of the year following the calendar year in which the  
31 machinery and equipment is first used in this state.

32 (2) The definitions in section 1 of this act apply to this section.

33 (3) This section expires June 30, 2005.

34 NEW SECTION. **Sec. 3.** This act shall take effect July 1, 1996.

Passed the House March 7, 1996.

Passed the Senate March 7, 1996.

Approved by the Governor March 28, 1996.

Filed in Office of Secretary of State March 28, 1996.