
SENATE BILL 5674

State of Washington

56th Legislature

1999 Regular Session

By Senators Costa, Winsley, Kline, Kohl-Welles, Wojahn and Haugen

Read first time 02/02/1999. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to tax exemptions for community health clinics;
2 amending RCW 82.04.4289; adding a new section to chapter 82.08 RCW; and
3 adding a new section to chapter 82.12 RCW.

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

5 **Sec. 1.** RCW 82.04.4289 and 1998 c 325 s 1 are each amended to read
6 as follows:

7 This chapter does not apply to amounts derived as compensation for
8 services rendered to patients or from sales of prescription drugs as
9 defined in RCW 82.08.0281 furnished as an integral part of services
10 rendered to patients by a community and migrant health center, a kidney
11 dialysis facility operated as a nonprofit corporation, a nonprofit
12 hospice agency licensed under chapter 70.127 RCW, and nursing homes and
13 homes for unwed mothers operated as religious or charitable
14 organizations, but only if no part of the net earnings received by such
15 an institution inures directly or indirectly, to any person other than
16 the institution entitled to deduction hereunder.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW
18 to read as follows:

1 (1) The tax levied by RCW 82.08.020 does not apply to sales of
2 materials, labor, and services used in the construction of health care
3 facilities of a community health clinic as defined in WAC 182-20-
4 010(1).

5 (2) The tax levied by RCW 82.08.020 does not apply to sales of
6 medical equipment to a community health clinic, or to sales of or
7 charges made for labor and services rendered in respect to installing,
8 repairing, cleaning, altering, or improving the medical equipment, or
9 to sales of tangible personal property that becomes an ingredient or
10 component of the medical equipment during the course of repairing,
11 cleaning, altering, or improving the equipment.

12 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW
13 to read as follows:

14 (1) The provisions of this chapter do not apply with respect to the
15 use of materials and labor in the construction of health care
16 facilities of a community health clinic.

17 (2) The provisions of this chapter do not apply with respect to the
18 use of medical equipment by a community health clinic, or to the use of
19 tangible personal property that becomes an ingredient or component of
20 the medical equipment during the course of repairing, cleaning,
21 altering, or improving the equipment.

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