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**SUBSTITUTE HOUSE BILL 2447**

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**State of Washington                      58th Legislature                      2004 Regular Session**

**By** House Committee on Finance (originally sponsored by Representatives Sullivan, Lovick, Pearson, McCoy, Hudgins, D. Simpson, Wallace, Armstrong, Wood, Chase, Linville, Upthegrove and Clibborn)

READ FIRST TIME 02/6/04.

1            AN ACT Relating to tax incentives for alternative fuels; amending  
2 RCW 82.68.010, 82.68.030, 82.04.4334, 82.08.955, and 82.12.955;  
3 reenacting and amending RCW 82.04.260; adding a new chapter to Title 82  
4 RCW; creating a new section; repealing RCW 82.68.040; providing an  
5 effective date; and providing contingent expiration dates.

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

7            NEW SECTION. **Sec. 1.** The definitions in this section apply  
8 throughout this chapter unless the context clearly requires otherwise.

9            (1) "Alcohol fuel" has the same meaning as provided in RCW  
10 82.29A.135.

11            (2) "Applicant" means a person applying for a tax deferral under  
12 this chapter.

13            (3) "Biodiesel feedstock" means oil that is produced from an  
14 agricultural crop for the sole purpose of ultimately producing  
15 biodiesel fuel.

16            (4) "Biodiesel fuel" means a mono alkyl ester of long chain fatty  
17 acids derived from vegetable oils or animal fats for use in  
18 compression-ignition engines and that meets the requirements of the

1 American society of testing and materials specification D 6751 in  
2 effect as of January 1, 2003.

3 (5)(a) "Eligible investment project" means an investment project  
4 that meets the criteria in (b) and (c) of this subsection.

5 (b) The lessor or owner of a qualified building is not eligible for  
6 a deferral unless the underlying ownership of the buildings, machinery,  
7 and equipment vests exclusively in the same person, or unless the  
8 lessor by written contract agrees to pass the economic benefit of the  
9 deferral to the lessee in the form of reduced rent payments.

10 (c) "Eligible investment project" does not include any portion of  
11 an investment project undertaken by a light and power business as  
12 defined in RCW 82.16.010, other than that portion of a cogeneration  
13 project that is used to generate power for consumption within the  
14 manufacturing site of which the cogeneration project is an integral  
15 part, or investment projects that have already received deferrals under  
16 this chapter.

17 (6) "Recipient" means a person receiving a tax deferral under this  
18 chapter.

19 (7) "Department," "investment project," "manufacturing," "person,"  
20 "qualified buildings," "qualified machinery and equipment," and  
21 "research and development" have the same meaning as in RCW 82.60.020.

22 NEW SECTION. **Sec. 2.** Application, reporting, administrative, and  
23 confidentiality requirements relating to deferral of taxes under this  
24 chapter are the same as those in RCW 82.60.030, 82.60.040(2),  
25 82.60.060(3), 82.60.070 (1) and (2), 82.60.080, 82.60.090, and  
26 82.60.100 for tax deferrals for investment projects in rural counties  
27 under chapter 82.60 RCW.

28 NEW SECTION. **Sec. 3.** (1) The department shall issue a sales and  
29 use tax deferral certificate for state and local sales and use taxes  
30 due under chapters 82.08, 82.12, and 82.14 RCW on each eligible  
31 investment project, if the investment project is undertaken for the  
32 purpose of manufacturing biodiesel, biodiesel feedstock, or alcohol  
33 fuel.

34 (2) This section expires the earlier of:

35 (a) July 1, 2009; or

1 (b) July 1st of the fiscal year following the first calendar year  
2 in which the volume of biodiesel fuel manufactured in Washington  
3 exceeds twenty percent of the total of the volume of diesel fuel and  
4 biodiesel fuel manufactured in Washington, as determined by the  
5 department, in consultation with the department of community, trade,  
6 and economic development, using data reported by the federal energy  
7 information administration.

8 NEW SECTION. **Sec. 4.** Deferred taxes need not be repaid if the  
9 department determines that the recipient has met the requirements of  
10 this chapter for the seven calendar years following the certification  
11 by the department that the investment project has been operationally  
12 completed.

13 **Sec. 5.** RCW 82.68.010 and 2003 c 261 s 1 are each amended to read  
14 as follows:

15 Unless the context clearly requires otherwise, the definitions in  
16 this section apply throughout this chapter.

17 (1) "Alcohol fuel" has the same meaning as provided in RCW  
18 82.29A.135.

19 (2) "Applicant" means a person applying for a tax deferral under  
20 this chapter.

21 (3) "Biodiesel feedstock" means oil that is produced from an  
22 agricultural crop for the sole purpose of ultimately producing  
23 biodiesel fuel.

24 (4) "Biodiesel fuel" means a mono alkyl ester of long chain fatty  
25 acids derived from vegetable oils or animal fats for use in  
26 compression-ignition engines and that meets the requirements of the  
27 American society of testing and materials specification D 6751 in  
28 effect as of January 1, 2003.

29 (5) "Department" means the department of revenue.

30 (6) (~~"Eligible area" means a county with fewer than one hundred  
31 persons per square mile as determined annually by the office of  
32 financial management and published by the department effective for the  
33 period July 1st through June 30th, or a county that has a population of  
34 less than two hundred twenty five thousand as determined by the office  
35 of financial management and has an area greater than two hundred  
36 twenty five square miles.~~)

1       ~~(7)~~(a) "Eligible investment project" means an investment project  
2       (~~in an eligible area~~) that meets the criteria in (b) and (c) of this  
3       subsection.

4       (b) The lessor or owner of a qualified building is not eligible for  
5       a deferral unless the underlying ownership of the buildings, machinery,  
6       and equipment vests exclusively in the same person, or unless the  
7       lessor by written contract agrees to pass the economic benefit of the  
8       deferral to the lessee in the form of reduced rent payments.

9       (c) "Eligible investment project" does not include any portion of  
10       an investment project undertaken by a light and power business as  
11       defined in RCW 82.16.010(5), other than that portion of a cogeneration  
12       project that is used to generate power for consumption within the  
13       manufacturing site of which the cogeneration project is an integral  
14       part, or investment projects which have already received deferrals  
15       under this chapter.

16       (~~(8)~~) (7) "Investment project" means an investment in qualified  
17       buildings or qualified machinery and equipment, including labor and  
18       services rendered in the planning, installation, and construction of  
19       the project.

20       (~~(9)~~) (8) "Manufacturing" means the same as defined in RCW  
21       82.04.120. "Manufacturing" also includes computer programming, the  
22       production of computer software, and other computer-related services,  
23       and the activities performed by research and development laboratories  
24       and commercial testing laboratories.

25       (~~(10)~~) (9) "Person" has the meaning given in RCW 82.04.030.

26       (~~(11)~~) (10) "Qualified buildings" means construction of new  
27       structures, and expansion or renovation of existing structures for the  
28       purpose of increasing floor space or production capacity used for  
29       manufacturing and research and development activities, including plant  
30       offices and warehouses or other facilities for the storage of raw  
31       material or finished goods if such facilities are an essential or an  
32       integral part of a factory, mill, plant, or laboratory used for  
33       manufacturing or research and development. If a building is used  
34       partly for manufacturing or research and development and partly for  
35       other purposes, the applicable tax deferral shall be determined by  
36       apportionment of the costs of construction under rules adopted by the  
37       department.

1 ((+12+)) (11) "Qualified machinery and equipment" means all new  
2 industrial and research fixtures, equipment, and support facilities  
3 that are an integral and necessary part of a manufacturing or research  
4 and development operation. "Qualified machinery and equipment"  
5 includes: Computers; software; data processing equipment; laboratory  
6 equipment; manufacturing components such as belts, pulleys, shafts, and  
7 moving parts; molds, tools, and dies; operating structures; and all  
8 equipment used to control or operate the machinery.

9 ((+13+)) (12) "Recipient" means a person receiving a tax deferral  
10 under this chapter.

11 ((+14+)) (13) "Research and development" means the development,  
12 refinement, testing, marketing, and commercialization of a product,  
13 service, or process before commercial sales have begun. As used in  
14 this subsection, "commercial sales" excludes sales of prototypes or  
15 sales for market testing if the total gross receipts from such sales of  
16 the product, service, or process do not exceed one million dollars.

17 **Sec. 6.** RCW 82.68.030 and 2003 c 261 s 3 are each amended to read  
18 as follows:

19 (1) The department shall issue a sales and use tax deferral  
20 certificate for state and local sales and use taxes due under chapters  
21 82.08, 82.12, and 82.14 RCW on each eligible investment project (~~that~~  
22 ~~is located in an eligible area as defined in RCW 82.68.010~~), if the  
23 investment project is undertaken for the purpose of manufacturing  
24 biodiesel, biodiesel feedstock, or alcohol fuel.

25 (2) This section expires the earlier of:

26 (a) July 1, 2009; or

27 (b) July 1st of the fiscal year following the first calendar year  
28 in which the volume of biodiesel fuel manufactured in Washington  
29 exceeds twenty percent of the total of the volume of diesel fuel and  
30 biodiesel fuel manufactured in Washington, as determined by the  
31 department, in consultation with the department of community, trade,  
32 and economic development, using data reported by the federal energy  
33 information administration.

34 **Sec. 7.** RCW 82.04.260 and 2003 2nd sp.s. c 1 s 4 and 2003 2nd  
35 sp.s. c 1 s 3 are each reenacted and amended to read as follows:

1 (1) Upon every person engaging within this state in the business of  
2 manufacturing:

3 (a) Wheat into flour, barley into pearl barley, soybeans into  
4 soybean oil, canola into canola oil, canola meal, or canola byproducts,  
5 or sunflower seeds into sunflower oil; as to such persons the amount of  
6 tax with respect to such business shall be equal to the value of the  
7 flour, pearl barley, oil, canola meal, or canola byproduct  
8 manufactured, multiplied by the rate of 0.138 percent;

9 (b) Seafood products which remain in a raw, raw frozen, or raw  
10 salted state at the completion of the manufacturing by that person; as  
11 to such persons the amount of tax with respect to such business shall  
12 be equal to the value of the products manufactured, multiplied by the  
13 rate of 0.138 percent;

14 (c) By canning, preserving, freezing, processing, or dehydrating  
15 fresh fruits and vegetables, or selling at wholesale fresh fruits and  
16 vegetables canned, preserved, frozen, processed, or dehydrated by the  
17 seller and sold to purchasers who transport in the ordinary course of  
18 business the goods out of this state; as to such persons the amount of  
19 tax with respect to such business shall be equal to the value of the  
20 products canned, preserved, frozen, processed, or dehydrated multiplied  
21 by the rate of 0.138 percent. As proof of sale to a person who  
22 transports in the ordinary course of business goods out of this state,  
23 the seller shall annually provide a statement in a form prescribed by  
24 the department and retain the statement as a business record;

25 (d) Dairy products that as of September 20, 2001, are identified in  
26 21 C.F.R., chapter 1, parts 131, 133, and 135, including byproducts  
27 from the manufacturing of the dairy products such as whey and casein;  
28 or selling the same to purchasers who transport in the ordinary course  
29 of business the goods out of state; as to such persons the tax imposed  
30 shall be equal to the value of the products manufactured multiplied by  
31 the rate of 0.138 percent. As proof of sale to a person who transports  
32 in the ordinary course of business goods out of this state, the seller  
33 shall annually provide a statement in a form prescribed by the  
34 department and retain the statement as a business record;

35 (e) Alcohol fuel, biodiesel fuel, or biodiesel feedstock, as those  
36 terms are defined in RCW 82.29A.135; as to such persons the amount of  
37 tax with respect to the business shall be equal to the value of alcohol  
38 fuel, biodiesel fuel, or biodiesel feedstock manufactured, multiplied

1 by the rate of 0.138 percent. This subsection (1)(e) expires the  
2 earlier of July 1, 2009, or July 1st of the fiscal year following the  
3 first calendar year in which the volume of biodiesel fuel manufactured  
4 in Washington exceeds twenty percent of the total of the volume of  
5 diesel fuel and biodiesel fuel manufactured in Washington, as  
6 determined by the department, in consultation with the department of  
7 community, trade, and economic development, using data reported by the  
8 federal energy information administration; and

9 (f) Alcohol fuel or wood biomass fuel, as those terms are defined  
10 in RCW 82.29A.135; as to such persons the amount of tax with respect to  
11 the business shall be equal to the value of alcohol fuel or wood  
12 biomass fuel manufactured, multiplied by the rate of 0.138 percent.

13 (2) Upon every person engaging within this state in the business of  
14 splitting or processing dried peas; as to such persons the amount of  
15 tax with respect to such business shall be equal to the value of the  
16 peas split or processed, multiplied by the rate of 0.138 percent.

17 (3) Upon every nonprofit corporation and nonprofit association  
18 engaging within this state in research and development, as to such  
19 corporations and associations, the amount of tax with respect to such  
20 activities shall be equal to the gross income derived from such  
21 activities multiplied by the rate of 0.484 percent.

22 (4) Upon every person engaging within this state in the business of  
23 slaughtering, breaking and/or processing perishable meat products  
24 and/or selling the same at wholesale only and not at retail; as to such  
25 persons the tax imposed shall be equal to the gross proceeds derived  
26 from such sales multiplied by the rate of 0.138 percent.

27 (5) Upon every person engaging within this state in the business of  
28 making sales, at retail or wholesale, of nuclear fuel assemblies  
29 manufactured by that person, as to such persons the amount of tax with  
30 respect to such business shall be equal to the gross proceeds of sales  
31 of the assemblies multiplied by the rate of 0.275 percent.

32 (6) Upon every person engaging within this state in the business of  
33 manufacturing nuclear fuel assemblies, as to such persons the amount of  
34 tax with respect to such business shall be equal to the value of the  
35 products manufactured multiplied by the rate of 0.275 percent.

36 (7) Upon every person engaging within this state in the business of  
37 acting as a travel agent or tour operator; as to such persons the

1 amount of the tax with respect to such activities shall be equal to the  
2 gross income derived from such activities multiplied by the rate of  
3 0.275 percent.

4 (8) Upon every person engaging within this state in business as an  
5 international steamship agent, international customs house broker,  
6 international freight forwarder, vessel and/or cargo charter broker in  
7 foreign commerce, and/or international air cargo agent; as to such  
8 persons the amount of the tax with respect to only international  
9 activities shall be equal to the gross income derived from such  
10 activities multiplied by the rate of 0.275 percent.

11 (9) Upon every person engaging within this state in the business of  
12 stevedoring and associated activities pertinent to the movement of  
13 goods and commodities in waterborne interstate or foreign commerce; as  
14 to such persons the amount of tax with respect to such business shall  
15 be equal to the gross proceeds derived from such activities multiplied  
16 by the rate of 0.275 percent. Persons subject to taxation under this  
17 subsection shall be exempt from payment of taxes imposed by chapter  
18 82.16 RCW for that portion of their business subject to taxation under  
19 this subsection. Stevedoring and associated activities pertinent to  
20 the conduct of goods and commodities in waterborne interstate or  
21 foreign commerce are defined as all activities of a labor, service or  
22 transportation nature whereby cargo may be loaded or unloaded to or  
23 from vessels or barges, passing over, onto or under a wharf, pier, or  
24 similar structure; cargo may be moved to a warehouse or similar holding  
25 or storage yard or area to await further movement in import or export  
26 or may move to a consolidation freight station and be stuffed,  
27 unstuffed, containerized, separated or otherwise segregated or  
28 aggregated for delivery or loaded on any mode of transportation for  
29 delivery to its consignee. Specific activities included in this  
30 definition are: Wharfage, handling, loading, unloading, moving of  
31 cargo to a convenient place of delivery to the consignee or a  
32 convenient place for further movement to export mode; documentation  
33 services in connection with the receipt, delivery, checking, care,  
34 custody and control of cargo required in the transfer of cargo;  
35 imported automobile handling prior to delivery to consignee; terminal  
36 stevedoring and incidental vessel services, including but not limited  
37 to plugging and unplugging refrigerator service to containers,



1 trailers, and other refrigerated cargo receptacles, and securing ship  
2 hatch covers.

3 (10) Upon every person engaging within this state in the business  
4 of disposing of low-level waste, as defined in RCW 43.145.010; as to  
5 such persons the amount of the tax with respect to such business shall  
6 be equal to the gross income of the business, excluding any fees  
7 imposed under chapter 43.200 RCW, multiplied by the rate of 3.3  
8 percent.

9 If the gross income of the taxpayer is attributable to activities  
10 both within and without this state, the gross income attributable to  
11 this state shall be determined in accordance with the methods of  
12 apportionment required under RCW 82.04.460.

13 (11) Upon every person engaging within this state as an insurance  
14 agent, insurance broker, or insurance solicitor licensed under chapter  
15 48.17 RCW; as to such persons, the amount of the tax with respect to  
16 such licensed activities shall be equal to the gross income of such  
17 business multiplied by the rate of 0.484 percent.

18 (12) Upon every person engaging within this state in business as a  
19 hospital, as defined in chapter 70.41 RCW, that is operated as a  
20 nonprofit corporation or by the state or any of its political  
21 subdivisions, as to such persons, the amount of tax with respect to  
22 such activities shall be equal to the gross income of the business  
23 multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5  
24 percent thereafter. The moneys collected under this subsection shall  
25 be deposited in the health services account created under RCW  
26 43.72.900.

27 (13)(a) Beginning October 1, 2005, upon every person engaging  
28 within this state in the business of manufacturing commercial  
29 airplanes, or components of such airplanes, as to such persons the  
30 amount of tax with respect to such business shall, in the case of  
31 manufacturers, be equal to the value of the product manufactured, or in  
32 the case of processors for hire, be equal to the gross income of the  
33 business, multiplied by the rate of:

34 (i) 0.4235 percent from October 1, 2005, through the later of June  
35 30, 2007, or the day preceding the date final assembly of a  
36 superefficient airplane begins in Washington state, as determined under  
37 RCW 82.32.550; and

1 (ii) 0.2904 percent beginning on the later of July 1, 2007, or the  
2 date final assembly of a superefficient airplane begins in Washington  
3 state, as determined under RCW 82.32.550.

4 (b) Beginning October 1, 2005, upon every person engaging within  
5 this state in the business of making sales, at retail or wholesale, of  
6 commercial airplanes, or components of such airplanes, manufactured by  
7 that person, as to such persons the amount of tax with respect to such  
8 business shall be equal to the gross proceeds of sales of the airplanes  
9 or components multiplied by the rate of:

10 (i) 0.4235 percent from October 1, 2005, through the later of June  
11 30, 2007, or the day preceding the date final assembly of a  
12 superefficient airplane begins in Washington state, as determined under  
13 RCW 82.32.550; and

14 (ii) 0.2904 percent beginning on the later of July 1, 2007, or the  
15 date final assembly of a superefficient airplane begins in Washington  
16 state, as determined under RCW 82.32.550.

17 (c) For the purposes of this subsection (13), "commercial  
18 airplane," "component," and "final assembly of a superefficient  
19 airplane" have the meanings given in RCW 82.32.550.

20 (d) In addition to all other requirements under this title, a  
21 person eligible for the tax rate under this subsection (13) must report  
22 as required under RCW 82.32.545.

23 (e) This subsection (13) does not apply after the earlier of: July  
24 1, 2024; or December 31, 2007, if assembly of a superefficient airplane  
25 does not begin by December 31, 2007, as determined under RCW 82.32.550.

26 **Sec. 8.** RCW 82.04.4334 and 2003 c 63 s 1 are each amended to read  
27 as follows:

28 (1) In computing tax there may be deducted from the measure of tax  
29 amounts received from the retail sale, or for the distribution, of:

30 (a) Biodiesel fuel; or

31 (b) Alcohol fuel, if the alcohol fuel is at least eighty-five  
32 percent of the volume of the fuel being sold or distributed.

33 (2) For the purposes of this section and RCW 82.08.955 and  
34 82.12.955, the following definitions apply:

35 (a) "Biodiesel fuel" means a mono alkyl ester of long chain fatty  
36 acids derived from vegetable oils or animal fats for use in

1 compression-ignition engines and that meets the requirements of the  
2 American society of testing and materials specification D 6751 in  
3 effect as of January 1, 2003.

4 (b) "Alcohol fuel" means any alcohol made from a product other than  
5 petroleum or natural gas, which is used alone or in combination with  
6 gasoline or other petroleum products for use as a fuel for motor  
7 vehicles, farm implements and machines, or implements of husbandry.

8 (c) "Distribution" means any of the actions specified in RCW  
9 82.36.020(2).

10 (3) This section expires the earlier of July 1, 2009, or July 1st  
11 of the fiscal year following the first calendar year in which the  
12 volume of biodiesel fuel manufactured in Washington exceeds twenty  
13 percent of the total of the volume of diesel fuel and biodiesel fuel  
14 manufactured in Washington, as determined by the department, in  
15 consultation with the department of community, trade, and economic  
16 development, using data reported by the federal energy information  
17 administration.

18 **Sec. 9.** RCW 82.08.955 and 2003 c 63 s 2 are each amended to read  
19 as follows:

20 (1) The tax levied by RCW 82.08.020 does not apply to sales of  
21 machinery and equipment, or to services rendered in respect to  
22 constructing structures, installing, constructing, repairing, cleaning,  
23 decorating, altering, or improving of structures or machinery and  
24 equipment, or to sales of tangible personal property that becomes an  
25 ingredient or component of structures or machinery and equipment, if  
26 the machinery, equipment, or structure is used directly for the retail  
27 sale of a biodiesel or alcohol fuel blend. Structures and machinery  
28 and equipment that are used for the retail sale of a biodiesel or  
29 alcohol fuel blend and for other purposes are exempt only on the  
30 portion used directly for the retail sale of a biodiesel or alcohol  
31 fuel blend.

32 (2) The tax levied by RCW 82.08.020 does not apply to sales of fuel  
33 delivery vehicles or to sales of or charges made for labor and services  
34 rendered in respect to installing, repairing, cleaning, altering, or  
35 improving the vehicles including repair parts and replacement parts if  
36 at least seventy-five percent of the fuel distributed by the vehicles  
37 is a biodiesel or alcohol fuel blend.

1 (3) A person taking the exemption under this section must keep  
2 records necessary for the department to verify eligibility under this  
3 section. The exemption is available only when the buyer provides the  
4 seller with an exemption certificate in a form and manner prescribed by  
5 the department. The seller shall retain a copy of the certificate for  
6 the seller's files.

7 (4) For the purposes of this section, the definitions in RCW  
8 82.04.4334 and this subsection apply.

9 (a) "Alcohol fuel blend" means fuel that contains at least eighty-  
10 five percent alcohol fuel by volume.

11 (b) "Biodiesel blend" means fuel that contains at least twenty  
12 percent biodiesel fuel by volume.

13 (c) "Machinery and equipment" means industrial fixtures, devices,  
14 and support facilities and tangible personal property that becomes an  
15 ingredient or component thereof, including repair parts and replacement  
16 parts that are integral and necessary for the delivery of biodiesel or  
17 alcohol fuel blends into the fuel tank of a motor vehicle.

18 (5) This section expires the earlier of July 1, 2009, or July 1st  
19 of the fiscal year following the first calendar year in which the  
20 volume of biodiesel fuel manufactured in Washington exceeds twenty  
21 percent of the total of the volume of diesel fuel and biodiesel fuel  
22 manufactured in Washington, as determined by the department, in  
23 consultation with the department of community, trade, and economic  
24 development, using data reported by the federal energy information  
25 administration.

26 **Sec. 10.** RCW 82.12.955 and 2003 c 63 s 3 are each amended to read  
27 as follows:

28 (1) The provisions of this chapter do not apply in respect to the  
29 use of machinery and equipment, or to services rendered in respect to  
30 installing, repairing, cleaning, altering, or improving of eligible  
31 machinery and equipment, or tangible personal property that becomes an  
32 ingredient or component of machinery and equipment used directly for  
33 the retail sale of a biodiesel or alcohol fuel blend.

34 (2) The provisions of this chapter do not apply in respect to the  
35 use of fuel delivery vehicles including repair parts and replacement  
36 parts and to services rendered in respect to installing, repairing,

1 cleaning, altering, or improving the vehicles if at least seventy-five  
2 percent of the fuel distributed by the vehicles is a biodiesel or  
3 alcohol fuel blend.

4 (3) For the purposes of this section, the definitions in RCW  
5 82.04.4334 and 82.08.955 apply.

6 (4) This section expires the earlier of July 1, 2009, or July 1st  
7 of the fiscal year following the first calendar year in which the  
8 volume of biodiesel fuel manufactured in Washington exceeds twenty  
9 percent of the total of the volume of diesel fuel and biodiesel fuel  
10 manufactured in Washington, as determined by the department, in  
11 consultation with the department of community, trade, and economic  
12 development, using data reported by the federal energy information  
13 administration.

14 NEW SECTION. Sec. 11. RCW 82.68.040 (Additional investment  
15 projects that qualify for sales and use tax deferral) and 2003 c 261 s  
16 4 are each repealed.

17 NEW SECTION. Sec. 12. (1) Sections 5 and 6 of this act are null  
18 and void if RCW 82.60.050 is effective after June 30, 2004.

19 (2) Sections 1 through 4 of this act are null and void if RCW  
20 82.60.050 expires July 1, 2004.

21 NEW SECTION. Sec. 13. Sections 1 through 4 of this act constitute  
22 a new chapter in Title 82 RCW.

23 NEW SECTION. Sec. 14. This act takes effect July 1, 2004.

--- END ---