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SENATE BILL 5467

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State of Washington

58th Legislature

2003 Regular Session

By Senators Finkbeiner, Eide, Schmidt, Poulsen, Esser, Reardon and Haugen

Read first time 01/27/2003. Referred to Committee on Highways & Transportation.

1 AN ACT Relating to providing sales and use tax incentives for  
2 alternative vehicles, fuel, and equipment; adding new sections to  
3 chapter 82.08 RCW; and adding new sections to chapter 82.12 RCW.

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

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

7 (1) The tax levied by RCW 82.08.020 does not apply to sales of  
8 clean alternative fuel vehicles. Hybrid vehicles rated at or below  
9 eight thousand five hundred pounds gross vehicle weight rating, must  
10 have an average estimated fuel economy rating, as determined by the  
11 environmental protection agency, of at least forty miles per gallon.

12 (2) For the purposes of this section, the following definitions  
13 apply.

14 (a) "Clean alternative fuel vehicle" means motor vehicle, as  
15 defined in RCW 46.04.320, originally designed and equipped by the  
16 manufacturer to operate: (i) Exclusively on natural gas, propane,  
17 hydrogen, or electricity; (ii) as a fuel cell vehicle; or (iii) as a  
18 hybrid vehicle.

1 (b) "Fuel cell vehicle" means a vehicle that operates on an  
2 electric motor drawing current from combining hydrogen and oxygen in an  
3 electrochemical process.

4 (c) "Hybrid vehicle" means a vehicle that draws propulsion energy  
5 from both an internal combustion or heat engine and an onboard  
6 rechargeable energy storage device or similar system and employs a  
7 vehicle braking system that recovers waste energy to charge an onboard  
8 energy storage device or any other vehicle that is defined as a hybrid  
9 vehicle in regulations prescribed by the secretary of energy for the  
10 administration of title III of the energy policy act of 1992.

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

13 The provisions of this chapter do not apply with respect to the use  
14 of clean alternative fuel vehicles. The definitions in section 1 of  
15 this act apply to this section.

16 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.08 RCW  
17 to read as follows:

18 (1) The tax levied by RCW 82.08.020 does not apply to sales of  
19 alternative fuel equipment and electric vehicle recharging equipment or  
20 to sales of or charges made for labor and services rendered in respect  
21 to the original installation of this equipment, but only when the  
22 purchaser provides the seller with an exemption certificate in a form  
23 and manner prescribed by the department.

24 (2) For purposes of this section and section 4 of this act, the  
25 following definitions apply.

26 (a) "Alternative fuel" means natural gas, propane, hydrogen, fuel  
27 containing a minimum of eighty-five percent ethanol, and fuel  
28 containing a minimum of twenty percent biodiesel.

29 (b) "Alternative fuel equipment" means equipment used primarily to  
30 store, hold, or dispense alternative fuel into vehicles.

31 (c) "Biodiesel" means a fuel as defined in ASTM Standard D6751.

32 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.12 RCW  
33 to read as follows:

34 The provisions of this chapter do not apply with respect to the use

1 of alternative fuel equipment and electric vehicle recharging equipment  
2 as defined in section 3 of this act.

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