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SENATE BILL 5960

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State of Washington

59th Legislature

2005 Regular Session

By Senator Rasmussen

Read first time 02/16/2005. Referred to Committee on Agriculture & Rural Economic Development.

1 AN ACT Relating to the nutrient management plan sales and use tax  
2 exemption; amending RCW 82.08.890 and 82.12.890; and providing a  
3 contingent effective date.

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

5 **Sec. 1.** RCW 82.08.890 and 2001 2nd sp.s. c 18 s 2 are each amended  
6 to read as follows:

7 (1) The tax levied by RCW 82.08.020 does not apply to sales to  
8 eligible persons of services rendered in respect to operating,  
9 repairing, cleaning, altering, or improving of dairy and other  
10 livestock nutrient management equipment and facilities, or to sales of  
11 tangible personal property that becomes an ingredient or component of  
12 the equipment and facilities. The equipment and facilities must be  
13 used exclusively for activities necessary to maintain a ((dairy))  
14 nutrient management plan ((as required under chapter 90.64 RCW)). This  
15 exemption applies to sales made after the ((dairy)) nutrient management  
16 plan is certified ((under chapter 90.64 RCW)).

17 (2)(a) The department of revenue must provide an exemption  
18 certificate to an eligible person upon application by that person. The  
19 department of agriculture must provide a list of eligible persons to

1 the department of revenue. The application must be in a form and  
2 manner prescribed by the department and must contain information  
3 regarding the location of the dairy or other livestock operation and  
4 other information the department may require.

5 (b) The exemption is available only when the buyer provides the  
6 seller with an exemption certificate in a form and manner prescribed by  
7 the department. The seller must retain a copy of the certificate for  
8 the seller's files.

9 (3) The definitions in this subsection apply to this section and  
10 RCW 82.12.890 unless the context clearly requires otherwise:

11 (a) "Dairy or other livestock nutrient management equipment and  
12 facilities" means machinery, equipment, and structures used in the  
13 handling and treatment of dairy manure, such as aerators, agitators,  
14 alley scrapers, augers, dams, gutter cleaners, loaders, lagoons, pipes,  
15 pumps, separators, and tanks. The term also includes tangible personal  
16 property that becomes an ingredient or component of the equipment and  
17 facilities, including repair and replacement parts.

18 (b) "Eligible person" means a person licensed to produce milk under  
19 chapter 15.36 RCW who (~~has~~) had a certified dairy nutrient management  
20 plan under state law by December 31, 2003, (~~as required by chapter~~  
21 ~~90.64 RCW~~) or who has a certified livestock nutrient management plan  
22 by the deadline provided in chapter 16.-- RCW (chapter --, Laws of  
23 2005).

24 (c) "Nutrient management plan" means a dairy nutrient management  
25 plan certified under state law prior to January 1, 2004, or a livestock  
26 nutrient management plan certified under chapter 16.-- RCW (chapter --,  
27 Laws of 2005).

28 **Sec. 2.** RCW 82.12.890 and 2003 c 5 s 15 are each amended to read  
29 as follows:

30 (1) The provisions of this chapter do not apply with respect to the  
31 use by an eligible person of tangible personal property that becomes an  
32 ingredient or component of dairy or other livestock nutrient management  
33 equipment and facilities, as defined in RCW 82.08.890, or to labor and  
34 services rendered in respect to repairing, cleaning, altering, or  
35 improving eligible tangible personal property. The equipment and  
36 facilities must be used exclusively for activities necessary to  
37 maintain a (~~dairy~~) nutrient management plan (~~as required under~~

1 ~~chapter 90.64 RCW~~). This exemption applies to the use of tangible  
2 personal property or labor and services made after the ~~((dairy))~~  
3 nutrient management plan is certified ~~((under chapter 90.64 RCW))~~.

4 (2) The exemption certificate and recordkeeping requirements of RCW  
5 82.08.890 apply to this section.

6 NEW SECTION. Sec. 3. (1) This act takes effect September 1, 2005,  
7 if the livestock nutrient management act in SB 5602 (2005) or HB 1615  
8 (2005) has taken effect by September 1, 2005.

9 (2) This act is null and void if the livestock nutrient management  
10 act in SB 5602 (2005) or HB 1615 (2005) has not taken effect by  
11 September 1, 2005.

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