

---

HOUSE BILL 2275

---

State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Kretz, Springer, Shea, Sullivan, Blake, Jacks, Warnick, Short, Hinkle, Schmick, Armstrong, Parker, and McCune

Read first time 02/20/09. Referred to Committee on Finance.

1            AN ACT Relating to a sales and use tax exemption for the nonhighway  
2 use of propane by farmers; amending RCW 82.08.865 and 82.12.865; and  
3 providing an effective date.

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

5            **Sec. 1.** RCW 82.08.865 and 2007 c 443 s 1 are each amended to read  
6 as follows:

7            (1) The tax levied by RCW 82.08.020 does not apply to sales of  
8 diesel fuel, biodiesel fuel, (~~(or)~~) aircraft fuel, or propane fuel to  
9 a farm fuel user for nonhighway use. This exemption applies to a fuel  
10 blend if all of the component fuels of the blend would otherwise be  
11 exempt under this subsection if the component fuels were sold as  
12 separate products. This exemption is available only if the buyer  
13 provides the seller with an exemption certificate in a form and manner  
14 prescribed by the department. Fuel used for space or water heating for  
15 human habitation is not exempt under this section.

16            (2) The definitions in RCW 82.04.213 and this subsection apply to  
17 this section.

18            (a) "Aircraft fuel" is defined as provided in RCW 82.42.010.

19            (b) "Biodiesel fuel" is defined as provided in RCW 19.112.010.

1 (c) "Diesel fuel" is defined as provided in 26 U.S.C. 4083, as  
2 amended or renumbered as of January 1, 2006.

3 (d) "Farm fuel user" means: (i) A farmer; or (ii) a person who  
4 provides horticultural services for farmers, such as soil preparation  
5 services, crop cultivation services, and crop harvesting services.

6 **Sec. 2.** RCW 82.12.865 and 2007 c 443 s 2 are each amended to read  
7 as follows:

8 (1) The provisions of this chapter do not apply with respect to the  
9 nonhighway use of diesel fuel, biodiesel fuel, (~~or~~) aircraft fuel, or  
10 propane fuel by a farm fuel user. This exemption applies to a fuel  
11 blend if all of the component fuels of the blend would otherwise be  
12 exempt under this subsection if the component fuels were acquired as  
13 separate products. Fuel used for space or water heating for human  
14 habitation is not exempt under this section.

15 (2) The definitions in RCW 82.08.865 apply to this section.

16 NEW SECTION. **Sec. 3.** This act takes effect August 1, 2009.

--- END ---