<u>SSB 5262</u> - S AMD 574 By Senator Hasegawa

NOT ADOPTED 04/06/2021

1 On page 2, beginning on line 17, after "the" strike all material 2 through "centers" on line 19 and insert "data center sector in 3 Washington state by encouraging development of new data center 4 facilities"

5 On page 3, beginning on line 16, after "<u>2047</u>" strike all material 6 through "year" on line 23

7 On page 5, at the beginning of line 19, strike all material 8 through "position." on line 31

9 On page 7, line 35, after "<u>purchaser</u>" strike "<u>shall</u>" and insert 10 "<u>must</u>"

11 On page 8, beginning on line 7, after "<u>means</u>" strike all material 12 through "<u>For</u>" on line 8 and insert "<u>for</u>"

13 On page 8, beginning on line 11, after "<u>center</u>" strike all 14 material through "<u>center</u>" on line 15

15 On page 9, beginning on line 17, after "or" strike all material 16 through "<u>subsection</u>" on line 22 and insert "other improvements made 17 to existing facilities"

18 On page 9, beginning on line 26, after "center." strike all 19 material through "<u>construction."</u>" on line 29

20 On page 11, line 1, after "means" insert "<u>the initial replacement</u> 21 <u>of original</u>"

On page 11, beginning on line 2, after "((replaces" strike all material through "qualified" on line 4 and insert "existing server equipment, if the sale or use of the server equipment to be replaced gualified)):

26 <u>(A) Qualifies</u>"

S-2572.2/21 2nd draft

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1 On page 11, beginning on line 5, after "82.12.986;" strike all 2 material through "<u>applies;</u>" on line 10

3 On page 11, beginning on line 12, after "occupancy" strike all 4 material through "<u>center</u>" on line 13

5 On page 11, line 20, after "means" insert "<u>the initial</u> 6 replacement of original"

On page 11, beginning on line 21, after "(A)" strike all material through "qualified" on line 22 and insert "((Replaces existing server equipment, if the sale or use of the server equipment to be replaced qualified)) Qualifies"

11 On page 11, beginning on line 23, after "82.12.986;" strike all 12 material through "<u>applies;</u>" on line 28

13 On page 11, beginning on line 35, after "<u>occupancy</u>" strike all 14 material through "<u>center</u>" on line 36 and insert "<u>.</u>

15 <u>The exemption under this section does not apply to subsequent</u> 16 <u>replacement of server equipment occurring after the initial</u> 17 <u>replacement of original server equipment for any business whose</u> 18 <u>computer data center qualifies as an eligible computer data center</u> 19 <u>under (f)(i)(C)(III) of this subsection (6) or for a qualifying</u> 20 <u>tenant who leases space within an eligible computer data center on or</u> 21 <u>after the effective date of this section</u>"

22 On page 12, beginning on line 27, after "<u>(k)</u>" strike all material 23 through "<u>(l)</u>" on line 38

EFFECT: Removes the option for existing data centers to obtain an exemption certificate for data center refurbishments and instead allows only a tax exemption for new data centers; provides that the exemption certificate for new data centers applies only to the original equipment and initial replacement of original server equipment.

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S-2572.2/21 2nd draft