

**RCW 82.04.120 "To manufacture."** (1) "To manufacture" embraces all activities of a commercial or industrial nature wherein labor or skill is applied, by hand or machinery, to materials so that as a result thereof a new, different or useful substance or article of tangible personal property is produced for sale or commercial or industrial use, and includes:

- (a) The production or fabrication of special made or custom made articles;
- (b) The production or fabrication of dental appliances, devices, restorations, substitutes, or other dental laboratory products by a dental laboratory or dental technician;
- (c) Cutting, delimiting, and measuring of felled, cut, or taken trees;
- (d) Crushing and/or blending of rock, sand, stone, gravel, or ore;
- (e) The production of compressed natural gas or liquefied natural gas for use as a transportation fuel as defined in RCW 82.16.310; and
- (f) The production or processing of renewable natural gas.

(2) "To manufacture" does not include:

- (a) Conditioning of seed for use in planting; cubing hay or alfalfa;
- (b) Activities which consist of cutting, grading, or ice glazing seafood which has been cooked, frozen, or canned outside this state;
- (c) The growing, harvesting, or producing of agricultural products;
- (d) Packing of agricultural products, including sorting, washing, rinsing, grading, waxing, treating with fungicide, packaging, chilling, or placing in controlled atmospheric storage;
- (e) The production of digital goods;
- (f) The production of computer software if the computer software is delivered from the seller to the purchaser by means other than tangible storage media, including the delivery by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser; and
- (g) Except as provided in subsection (1)(e) of this section, any activity that is integral to any public service business as defined in RCW 82.16.010 and with respect to which the gross income associated with such activity: (i) Is subject to tax under chapter 82.16 RCW; or (ii) would be subject to tax under chapter 82.16 RCW if such activity were conducted in this state or if not for an exemption or deduction.

(3) With respect to wastewater treatment facilities:

- (a) "To manufacture" does not include the treatment of wastewater, the production of reclaimed water, and the production of class B biosolids; and
- (b) "To manufacture" does include the production of class A or exceptional quality biosolids, but only with respect to the processing activities that occur after the biosolids have reached class B standards. [2019 c 202 § 3; 2014 c 216 § 303; 2011 c 23 § 3; 2009 c 535 § 406; 2003 c 168 § 604; 1999 sp.s. c 9 § 1; 1999 c 211 § 2; 1998 c 168 § 1; 1997 c 384 § 1; 1989 c 302 § 201. Prior: 1989 c 302 § 101; 1987 c 493 § 1; 1982 2nd ex.s. c 9 § 2; 1975 1st ex.s. c 291 § 6; 1965 ex.s. c 173 § 3; 1961 c 15 § 82.04.120; prior: 1959 ex.s. c 3 § 2; 1955 c 389 § 13; prior: 1949 c 228 § 2, part; 1945 c 249 § 1, part; 1943 c 156 § 2, part; 1941 c 178 § 2, part; 1939 c 225 § 2, part; 1937 c 227 § 2, part; 1935 c 180 § 5, part; Rem. Supp. 1949 § 8370-5, part.]

**Automatic expiration date and tax preference performance statement exemption—2019 c 202:** See note following RCW 82.16.310.

**Effective date—Findings—Tax preference performance statement—2014 c 216:** See notes following RCW 82.38.030.

**Findings—Application—2011 c 23:** See notes following RCW 82.08.02565.

**Effective date—Construction—2011 c 23:** See notes following RCW 82.08.025651.

**Intent—Construction—2009 c 535:** See notes following RCW 82.04.192.

**Effective dates—Part headings not law—2003 c 168:** See notes following RCW 82.08.010.

**Intent—1999 sp.s. c 9:** "This act is intended to clarify that this is the intent of the legislature both retroactively and prospectively." [1999 sp.s. c 9 § 4.]

**Severability—1999 sp.s. c 9:** "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1999 sp.s. c 9 § 5.]

**Effective date—1999 sp.s. c 9:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [June 7, 1999]." [1999 sp.s. c 9 § 6.]

**Intent—1999 c 211 §§ 2 and 3:** "The legislature intends that sections 2 and 3 of this act be clarifying in nature and are retroactive in response to the administrative difficulties encountered in implementing the original legislation." [1999 c 211 § 4.]

**Effective date—1999 c 211 §§ 1-4:** "Sections 1 through 4 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately [May 7, 1999]." [1999 c 211 § 7.]

**Finding—Intent—1999 c 211:** See note following RCW 82.08.02565.

**Effective date—1998 c 168:** "This act takes effect October 1, 1998." [1998 c 168 § 4.]

**Effective date—1997 c 384:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 1997." [1997 c 384 § 3.]

**Finding—Purpose—1989 c 302:** "(1) The legislature finds that chapter 9, Laws of 1982 2nd ex. sess. was intended to extend state

public utility taxation to electrical energy generated in this state for eventual distribution outside this state. The legislature further finds that chapter 9, Laws of 1982 2nd ex. sess. was held unconstitutional by the Thurston county superior court in *Washington Water Power v. State of Washington* (memorandum opinion No. 83-2-00977-1). The purpose of \*Part I of this act is to recognize the effect of that decision by correcting the relevant RCW sections to read as though the legislature had not enacted chapter 9, Laws of 1982 2nd ex. sess., and thereby make clear the effect of subsequent amendments in \*Part II of this act.

(2) The purpose of \*Part II of this act is to provide a constitutional means of replacing the revenue lost as a result of the *Washington Water Power* decision." [1989 c 302 § 1.]

**\*Reviser's note:** For "Part" division see 1989 c 302.

**Effective date—1982 2nd ex.s. c 9:** See note following RCW 82.16.010.

**Effective dates—Severability—1975 1st ex.s. c 291:** See notes following RCW 82.04.050.