

**RCW 82.08.9998 Exemptions—Cannabis concentrates, useable cannabis, or cannabis-infused products—Products containing low amounts of THC.** (1) The tax levied by RCW 82.08.020 does not apply to:

(a) Sales of cannabis concentrates, useable cannabis, or cannabis-infused products, identified by the department of health in rules adopted under RCW 69.50.375(4) in chapter 246-70 WAC as being a compliant cannabis product, by cannabis retailers with medical cannabis endorsements to qualifying patients or designated providers who have been issued recognition cards;

(b) Sales of products containing THC with a THC concentration of 0.3 percent or less to qualifying patients or designated providers who have been issued recognition cards by cannabis retailers with medical cannabis endorsements;

(c) Sales of cannabis concentrates, useable cannabis, or cannabis-infused products, identified by the department of health under RCW 69.50.375 to have a low THC, high CBD ratio, and to be beneficial for medical use, by cannabis retailers with medical cannabis endorsements, to any person;

(d) Sales of topical, noningestible products containing THC with a THC concentration of 0.3 percent or less by health care professionals under RCW 69.51A.280;

(e) (i) Cannabis, cannabis concentrates, useable cannabis, cannabis-infused products, or products containing THC with a THC concentration of 0.3 percent or less produced by a cooperative and provided to its members; and

(ii) Any nonmonetary resources and labor contributed by an individual member of the cooperative in which the individual is a member. However, nothing in this subsection (1)(e) may be construed to exempt the individual members of a cooperative from the tax imposed in RCW 82.08.020 on any purchase of property or services contributed to the cooperative.

(2) Each seller making exempt sales under subsection (1) of this section must maintain information establishing eligibility for the exemption in the form and manner required by the department.

(3) The department must provide a separate tax reporting line for exemption amounts claimed under this section.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Cooperative" means a cooperative authorized by and operating in compliance with RCW 69.51A.250.

(b) "Cannabis retailer with a medical cannabis endorsement" means a cannabis retailer permitted under RCW 69.50.375 to sell cannabis for medical use to qualifying patients and designated providers.

(c) "Products containing THC with a THC concentration of 0.3 percent or less" means all products containing THC with a THC concentration not exceeding 0.3 percent and that, when used as intended, are inhalable, ingestible, or absorbable.

(d) "THC concentration," "cannabis," "cannabis concentrates," "useable cannabis," "cannabis retailer," and "cannabis-infused products" have the same meanings as provided in RCW 69.50.101 and the terms "qualifying patients," "designated providers," and "recognition card" have the same meaning as provided in RCW 69.51A.010. [2022 c 16 § 155; 2019 c 393 § 4; 2015 2nd sp.s. c 4 § 207.]

**Intent—Finding—2022 c 16:** See note following RCW 69.50.101.

**Effective date—2019 c 393:** See note following RCW 69.50.345.

**Intent—2019 c 393:** See note following RCW 69.50.346.

**Applicability—2015 2nd sp.s. c 4 §§ 207 and 208:** "The provisions of RCW 82.32.805 and 82.32.808(8) do not apply to the exemptions in RCW 82.08.9998 and 82.12.9998." [2015 2nd sp.s. c 4 § 209.]

**Findings—Intent—Effective dates—2015 2nd sp.s. c 4:** See notes following RCW 69.50.334.