
HOUSE BILL 1330

State of Washington

67th Legislature

2021 Regular Session

By Representative Shewmake

1 AN ACT Relating to providing a retail sales and use tax exemption
2 for the purchase of electric bicycles and related cycling equipment;
3 adding new sections to chapter 82.12 RCW; creating new sections; and
4 providing contingent expiration dates.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that encouraging
7 citizens to own and use electric bicycles for commuting can replace
8 light duty passenger vehicles and thus reduce congestion, local air
9 pollution, and global carbon pollution while enhancing citizens'
10 health and saving commuters money. The legislature recognizes that
11 people with lower incomes have fewer financial resources for
12 purchasing these types of vehicles, which can help them commute to
13 work and school with reduced financial burdens. It is therefore the
14 intent of this legislation to increase electric bicycle sales by
15 providing an exemption from the state sales tax on new qualifying
16 vehicle purchases.

17 NEW SECTION. **Sec. 2.** (1) This section is the tax preference
18 performance statement for the tax preference contained in sections 3
19 and 4, chapter . . ., Laws of 2021 (sections 3 and 4 of this act).
20 This performance statement is only intended to be used for subsequent

1 evaluation of the tax preference. It is not intended to create a
2 private right of action by any party or to be used to determine
3 eligibility for preferential tax treatment.

4 (2) The legislature categorizes this tax preference as one
5 intended to provide tax relief for certain individuals as indicated
6 in RCW 82.32.808(2)(e).

7 (3) It is the legislature's specific public policy objective to
8 encourage citizens to own and use electric bicycles by assisting in
9 the purchasing of electric bicycles and related equipment.

10 (4) If a review finds that the number of electric bicycles
11 purchased in Washington increases 25 percent as compared to the
12 number of electric bicycles in calendar year 2020, then the
13 legislature intends to extend the expiration date of this tax
14 preference.

15 (5) In order to obtain the data necessary to perform the review
16 in subsection (4) of this section, the joint legislative audit and
17 review committee may refer to any data collected by the state.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12
19 RCW to read as follows:

20 (1) Except as provided in subsection (2) of this section,
21 beginning August 1, 2021, the tax levied by RCW 82.08.020 does not
22 apply to the sale of new electric bicycles and up to \$200 in related
23 cycling equipment. The exemption is available on a first-come basis
24 until the exemption expires.

25 (2) The department must post a quarterly balance report on its
26 website that includes an estimated expiration date for this section.
27 If the remaining balance of exemptions available under this section
28 is less than \$10,000, the department must publish a notification on
29 its website.

30 (3) The seller must keep records necessary for the department to
31 verify eligibility under this section.

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

34 (a) "Electric bicycle" has the same meaning as provided in RCW
35 46.04.169.

36 (b) "Related cycling equipment" means cycling accessories
37 commonly associated with bicycle ownership including, but not limited
38 to, helmets, bicycle locks, fenders, lights, and a bicycle service or

1 repair plan, purchased as part of the same transaction as an electric
2 bicycle.

3 (5) (a) This section expires on the earlier of:

4 (i) May 1, 2027; or

5 (ii) The date that the department determines that \$500,000 in
6 total retail sales tax exemptions have been granted under this
7 section.

8 (b) The department must provide written notice of the expiration
9 date of this section to affected parties, the chief clerk of the
10 house of representatives, the secretary of the senate, the office of
11 the coder reviser, and others as deemed appropriate by the
12 department.

13 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.12
14 RCW to read as follows:

15 (1) The provisions of this chapter do not apply to sales of
16 electric bicycles and related cycling equipment.

17 (2) (a) This section expires on the earlier of:

18 (i) May 1, 2027; or

19 (ii) The date that the department determines that \$500,000 in
20 total retail sales tax exemptions have been granted under section 3
21 of this act.

22 (b) The department must provide written notice of the expiration
23 date of this section to affected parties, the chief clerk of the
24 house of representatives, the secretary of the senate, the office of
25 the coder reviser, and others as deemed appropriate by the
26 department.

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