
HOUSE BILL 2289

State of Washington

68th Legislature

2024 Regular Session

By Representatives Wilcox, Chapman, and Kretz

1 AN ACT Relating to providing a sales and use tax exemption for
2 inputs required for salmon recovery projects; adding a new section to
3 chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; and
4 creating a new section.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08
7 RCW to read as follows:

8 (1) Subject to the requirements of this section, the tax levied
9 by RCW 82.08.020 does not apply to the sales of or charges made for:

10 (a) Labor and services rendered in respect to the construction of
11 a qualified salmon recovery project, or the installation of any
12 equipment or tangible personal property incorporated into a qualified
13 salmon recovery project; and

14 (b) Building materials, equipment, and tangible personal property
15 incorporated into a qualified salmon recovery project.

16 (2)(a) In order to obtain an exemption certificate under this
17 section, a qualified salmon recovery project sponsor must submit an
18 application to the department for an exemption certificate. The
19 application must include the information necessary, as required by
20 the department, to determine that the qualified salmon recovery
21 project sponsor qualifies for the exemption under this section. The

1 department must issue an exemption certificate to a qualified salmon
2 recovery project sponsor.

3 (b) In order to claim an exemption under this section, a
4 qualified salmon recovery project sponsor must provide the seller
5 with an exemption certificate in a form and manner prescribed by the
6 department. The seller must retain a copy of the certificate for the
7 seller's files.

8 (c) The exemption certificate is effective on the date the
9 application is received by the department, which is the date of
10 issuance. The exemption provided in this section does not apply to
11 any property or services that are received by the qualified salmon
12 recovery project sponsor, or its agent, before July 1, 2024. For the
13 purposes of this subsection (2)(c), "received" means:

14 (i) Taking physical possession of, or having dominion and control
15 over, the tangible personal property eligible for the exemption in
16 subsection (1)(b) of this section; and

17 (ii) The labor and services in subsection (1)(a) of this section
18 have been performed.

19 (d) The exemption certificate expires on the date the project is
20 certified as operationally complete by the qualified salmon recovery
21 project. The qualified salmon recovery project sponsor must notify
22 the department, in a form and manner as required by the department,
23 when the project is certified as operationally complete.

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

26 (a) "Operationally complete" means the qualified salmon recovery
27 project is capable of being used for its intended purpose as
28 described in the exemption certificate application.

29 (b) "Qualified salmon recovery project" means a project outlined
30 with the goal of increasing salmon and steelhead stocks, including
31 the construction, restoration, or improvement of habitat, hatchery
32 facilities, and fish barrier removal or replacement, and including
33 land acquisition and easements.

34 (c) "Qualified salmon recovery project sponsor" means any
35 private, public, or tribal entity engaging in the construction or
36 rehabilitation of a qualified salmon recovery project for which it
37 has received state funding to do so.

38 (4) A qualified salmon recovery project sponsor within 60 days of
39 the expiration of the exemption certificate under subsection (2)(d)
40 of this section must pay any tax due under this subsection. The

1 department may not assess penalties and interest as provided in
2 chapter 82.32 RCW on the amount due if the amount due is paid within
3 the 60-day period, or any extension thereof. The department may
4 require a qualified salmon recovery project sponsor to periodically
5 submit documentation, as specified by the department, prior to the
6 expiration of the exemption certificate to allow the department to
7 track the total amount of sales and use tax exempted under this
8 section.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12
10 RCW to read as follows:

11 (1) Provided an exemption certificate has been issued pursuant to
12 section 1 of this act, the provisions of this chapter do not apply
13 with respect to the use of:

14 (a) Labor and services rendered in respect to the construction of
15 a qualified salmon recovery project, or the installation of any
16 equipment or tangible personal property incorporated into a qualified
17 salmon recovery project; and

18 (b) Building materials, equipment, and tangible personal property
19 incorporated into a qualified salmon recovery project.

20 (2) All of the eligibility requirements, conditions, limitations,
21 and definitions in section 1 of this act apply to this section.

22 NEW SECTION. **Sec. 3.** The provisions of RCW 82.32.805 and
23 82.32.808 do not apply to this act.

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