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SENATE BILL 5077

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State of Washington

60th Legislature

2007 Regular Session

By Senators Honeyford, Rasmussen, Schoesler, Clements, Sheldon, Roach and Parlette

Read first time 01/10/2007. Referred to Committee on Agriculture & Rural Economic Development.

1 AN ACT Relating to exempting propane fuel sold to farm fuel users  
2 for nonhighway use from the retail sales and use tax; amending RCW  
3 82.08.865 and 82.12.865; and providing an effective date.

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

5 **Sec. 1.** RCW 82.08.865 and 2006 c 7 s 1 are each amended to read as  
6 follows:

7 (1) The tax levied by RCW 82.08.020 does not apply to sales of  
8 diesel fuel, propane, or aircraft fuel as defined in RCW 82.42.010(5),  
9 to a farm fuel user for nonhighway use. This exemption is available  
10 only if the buyer provides the seller with an exemption certificate in  
11 a form and manner prescribed by the department. Fuel used for space or  
12 water heating for human habitation is not exempt under this section.

13 (2) The definitions in RCW 82.04.213 and this subsection apply to  
14 this section.

15 (a) "Diesel fuel" is defined as provided in 26 U.S.C. 4083, as  
16 amended or renumbered as of January 1, 2006.

17 (b) "Farm fuel user" means: (i) A farmer; or (ii) a person who  
18 provides horticultural services for farmers, such as soil preparation  
19 services, crop cultivation services, and crop harvesting services.

1       **Sec. 2.** RCW 82.12.865 and 2006 c 7 s 2 are each amended to read as  
2 follows:

3       (1) The provisions of this chapter do not apply with respect to the  
4 nonhighway use of diesel fuel, propane, or aircraft fuel as defined in  
5 RCW 82.42.010(5), by a farm fuel user. Fuel used for space or water  
6 heating for human habitation is not exempt under this section.

7       (2) The definitions in RCW 82.08.865 apply to this section.

8       NEW SECTION. **Sec. 3.** This act takes effect January 1, 2008.

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