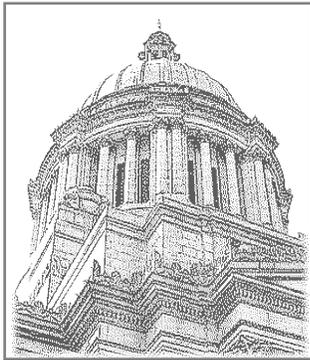


STATE OF WASHINGTON

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**CITIZEN COMMISSION FOR  
PERFORMANCE MEASUREMENT  
OF TAX PREFERENCES**

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**COMMISSION MEMBERS**

William A. Longbrake, *Chair*  
Board of Directors, BECU

Stephen B. Miller, *Vice Chair*  
Washington Education Association

Ronald Bueing  
Pivotal Law Group, PLLC

Dr. Grant Forsyth  
Avista Corp.

Lily Kahng  
Seattle University Law School

**NON-VOTING MEMBERS**

Jeanne Kohl-Welles, State Senator  
Chair, Joint Legislative Audit and  
Review Committee

Troy Kelley  
State Auditor

*Citizen Commission for  
Performance Measurement  
of Tax Preferences*

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## AGENDA

Friday, August 16, 2013

1:00 p.m.

John A. Cherberg Bldg.  
Senate Hearing Room 3  
Olympia, WA

- \*1. Approval of May 17, 2013, Meeting Minutes
2. Staff Briefings and Reports
  - Welcome New and Returning Members
  - Open Public Meetings and Public Records Requirements for Commissioners, Review of Commission Policies
  - Legislative Session Update
  - \* • 2013 Expedited Reviews: Commissioner Questions
  - Other

### 2013 Reviews

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3. 2013 Tax Preference Performance Reviews – Preliminary Report

(General public comment period immediately following regular Commission business.)

\* *Action Item*

***Please Note:***

*The Commission reserves the right to move agenda items as needed.*



# Citizen Commission for Performance Measurement of Tax Preferences

**William A. Longbrake**, *Chair*  
Board of Directors, BECU

**Stephen B. Miller**, *Vice Chair*  
Washington Education Association

**James Bobst**  
Pacific Fibre Products, Inc.

**Ruta Fanning**  
Retired Legislative Auditor

**Non-voting Members:**

Senator **Jeanne Kohl-Welles**  
Chair, Joint Legislative Audit  
and Review Committee

**Troy Kelley**  
State Auditor

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## Citizen Commission for Performance Measurement of Tax Preferences Meeting Minutes

May 17, 2013  
John A. Cherberg Bldg.,  
Senate Hearing Rm. ABC  
Olympia, WA

### Members Present:

William A. Longbrake  
Ruta Fanning  
Troy Kelley

Stephen Miller  
James Bobst

### Members Absent:

Sen. Jeanne Kohl-Welles

### Staff:

Keenan Konopaski  
Mary Welsh  
Peter Heineccius  
Matt Stoutenburg  
Stacia Hollar, AG Staff

John Woolley  
Dana Lynn  
Suzanne Kelly  
Audrey Phillips

### WELCOME AND INTRODUCTIONS

Commission Chair Bill Longbrake welcomed those in attendance and called the meeting to order at 1:00 p.m.

### APPROVAL OF MEETING MINUTES

MOTION: A motion was made to approve the October, 2012, meeting minutes.

The motion was seconded and carried.

### STAFF REPORTS

Keenan Konopaski, Legislative Auditor, and John Woolley, Deputy Legislative Auditor, briefed the Commission on bills that are currently before the Legislature and may have an impact on tax preferences or the review process.

Keenan Konopaski informed the Commission of comments added to the 2012 JLARC Tax Preference Reviews by the members of the Joint Legislative Audit and Review Committee at its February meeting.

(See TVW recording at [0:00:48](#))

## **OTHER ITEMS**

Chair Longbrake welcomed State Auditor Troy Kelley to the meeting. The Chair also noted that this was the last meeting for Commissioner James Bobst, and thanked him for his service on the Commission.

(See TVW recording at [0:12:21](#))

## **2013 EXPEDITED TAX PREFERENCES**

Staff presented the 2013 Expedited Tax Preference Report to the Commission. John Woolley reminded the Commission of the decisions made in the prior year of which preferences would receive expedited review. Keenan Konopaski reminded the Commissioners that they will have the opportunity to add comments to the report at the October 2013 meeting.

Chair Longbrake proposed making recommendations about some of the preferences in the 2013 Expedited report, and to group these preferences into four categories:

- Recommendation to schedule an expiration date
- Recommendation to allow to expire
- Preferences to terminate
- Other preferences

The Commission discussed the Chair's proposal. The Commission decided to invite public testimony at the September meeting in order to answer questions the Commission had regarding certain preferences. The Commission will draft any questions for distribution at the August meeting.

(See TVW recording at [0:13:12](#))

## **EVALUATION QUESTIONS ANSWERED IN 2013 JLARC REVIEWS**

Mary Welsh, JLARC staff to the Commission, presented information regarding which statutory review questions would be answered for each preference in the 2013 JLARC Tax Preference Reviews, which will be presented to the Commission at the August meeting.

(See TVW recording at [0:34:04](#))

## **DISCUSSION OF 2014 LIST OF REVIEWS, 2014 PREVIEW, AND 10-YEAR TAX PREFERENCE REVIEW SCHEDULE**

Staff presented a proposed list of preferences to review during the 2014 cycle. Keenan Konopaski discussed with the Commission that the aerospace preferences may require complex econometric analysis which will have an impact on the total number of preferences staff will be able to review.. DOR representatives Gary Grossmann, Kim Davis, and Steve Smith were available to answer the Commission's questions.

Chair Longbrake proposed sorting the preferences into four different groups:

- Group A: Aerospace Group
- Group B: Previously Studied Fresh Food Producers
- Group C: Possible JLARC Staff Review, based on staff resources
- Group D: Expedited Review (No JLARC Studies)

The Commission discussed which preferences to place in each group. Staff indicated that additional information for any questions the Commission had would be provided at the September meeting. In addition, staff will determine what information—if any—may be disclosable for those preferences where the beneficiary savings are listed as "Not disclosable."

(See TVW recording at [0:36:45](#))

### **PRELIMINARY APPROVAL OF 2014 TAX PREFERENCE REVIEW SCHEDULE**

MOTION: A motion was made to:

1. Schedule the ten preferences in the Aerospace Group (Group A) for a full JLARC staff review: Aircraft Pre-Production Expenditures (B&O Tax), Commercial Aircraft Manufacturing - Preferential Rate (B&O Tax), Aircraft Pre-Production Computer Expenditures (Sales and Use Tax), Commercial Aircraft Manufacturing - Credit for Taxes Paid (B&O Tax), Aerospace Product Development (B&O Tax), Aircraft Part Prototypes (Sales and Use Tax), Commercial Airplane Part Place of Sale (B&O Tax), Superefficient Aircraft Production (Sales and Use Tax), Superefficient Aircraft Production Facilities (Leasehold Excise Tax), and Superefficient Aircraft Production Facilities (Property Tax);
2. Schedule the six preferences in the Fresh Food Group (Group B) for a JLARC staff review limited, to the extent possible, to updating prior studies with any new information: Fruit and Vegetable Manufacturing - Exemption (B&O Tax), Fruit and Vegetable Manufacturing - Preferential Rate (B&O Tax), Seafood Products Manufacturing - Exemption (B&O Tax), Seafood Products Manufacturing - Preferential Rate (B&O Tax), Dairy Products Manufacturing - Exemption (B&O Tax), and Dairy Products Manufacturing - Preferential Rate (B&O Tax);
3. Prioritize the eleven preferences in Group C for a full JLARC staff review in the following order, to the extent that staff resources permit after considering priorities 1 and 2 above: Sales Subject to Public Utility Tax (Sales Tax), Electric Power Exported or Resold (Public Utility Tax), International Investment Management (B&O Tax), Film and Video Production Equipment (Sales and Use Tax), Microbrewers (Beer Tax), Wholesale Auto Auctions (B&O Tax), Child Care (B&O Tax), Products Shipped Out-of-State (Litter Tax), Mental Health Services (B&O Tax), Nonprofit Fundraising (Sales Tax), and Church Child Care (B&O Tax); and
4. Schedule the remaining 43 preferences for expedited review.

The motion was seconded and carried.

(See TVW recording at [1:21:44](#))

### **PUBLIC COMMENT**

John Ehrenreich, representing the Washington Forest Protection Association, testified regarding the tax preference for Forest Land Special Assessments (Property Tax). (See TVW recording at [1:26:40](#))

Pat Holm testified regarding the review process conducted by the Citizen Commission and JLARC staff. (See TVW recording at [1:36:59](#))

Steve Zemke, representing the group Tax Sanity, testified regarding tax reform and legislative action on tax preferences. (See TVW recording at [1:43:08](#))

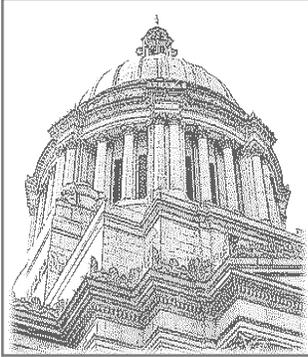
Following public testimony Chair Longbrake adjourned the meeting at 2:53 p.m.

STATE OF WASHINGTON

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**CITIZEN COMMISSION FOR  
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**Potential Questions for Citizen Commission to pose to 2013 Expedited  
Tax Preference Stakeholders at August 2013 meeting:**

1. Do you agree with the “purpose” of the tax preference, as noted in the *2013 Expedited Tax Preferences Report*, or do you think there is a different public policy purpose?
2. Has this tax preference benefited or otherwise impacted your particular business and the targeted industry as a whole? If yes, what evidence do you have to support this belief?
3. Is there a benefit to the state or its citizens in return for the reduction in tax revenue? If yes, what evidence do you have to support this belief?

	A	B	C	D	E	F	G	H
1	Tax Preference	Savings Amount	RCW	Expiration Date	Description	Purpose	Year Enacted	Primary Beneficiaries
2	Alternative Fuel Vehicles (Sales and Use Tax)	\$680,000	82.08.809; 82.12.809	7/1/2015	Sales/use tax exemption for new passenger cars and light duty trucks and used vehicles that have been modified that are powered exclusively by a clean-burning, alternative fuel such as natural gas, propane, hydrogen or electricity.	Encourage alternative fuel vehicle sales.	2005, modified in 2010	Firms that sell, and customers that purchase, alternative fuel vehicles.
3	Baseball Stadiums (Leasehold Excise Tax)	\$216,000	82.29A.130(14)		Leasehold tax exemption for all interests in the public or entertainment areas of a professional baseball stadium located in Seattle. Exemption does not include nonpublic areas of stadium.	Encourage construction and operation of Safeco Field.	1995	The Seattle Mariners.
4	Baseball Stadiums (Sales and Use Tax)	(\$6,544,000)	36.100.090		Sales/use tax deferred on construction of a public baseball stadium. Deferred sales tax on construction is repayable over a ten year period.	Encourage construction of a stadium for professional baseball in King County.	1995	The public facilities district that operates Safeco Field and the Seattle Mariners.
5	Biodiesel and Alcohol Fuel Production Facilities (Leasehold Excise Tax)	\$559,000	82.29A.135(1)(a)-(d),(2)	12/31/2015	Leasehold excise tax exemption for property used primarily to manufacture alcohol fuel, diodiesel fuel, and biodiesel feedstock.	Legislature did not state. JLARC staff infers to 1) promote production of renewable fuels from biomass; 2) reduce air pollution and greenhouse gas emissions; and 3) develop new ways to use wood biomass to generate biofuels.	1980	Continue and modify expiration date
6	Biodiesel and Alcohol Fuel Production Facilities (Property Tax)	\$264,000	84.36.635	12/31/2015	Property tax exemption for building, machinery, equipment, and other personal property used to manufacture alcohol fuel, biodiesel fuel, and biodiesel feedstock.	Legislature did not state. JLARC staff infers to 1) promote production of renewable fuels from biomass; 2) reduce air pollution and greenhouse gas emissions; and 3) develop new ways to use wood biomass to generate biofuels.	2003	Continue and modify expiration date
7	Biodiesel and E85 Fuel Distribution (Sales and Use Tax)	\$28,000	82.08.955; 82.12.955	7/1/2015	Sales/use tax exemption for machinery and equipment used directly to facilitate the retail sale of biodiesel blend or E85 motor fuel.	Encourage fuel dealers to sell biodiesel and alcohol fuels.	2003	Dealers and distributors of alternative fuels.
8	Biodiesel and E85 Fuel Sales (B&O Tax)	\$191,000	82.04.4334		B&O tax deduction for income from the sale or distribution of biodiesel or E85 motor fuel.	Encourage the production and sale of alternative fuels.	2003, amended in 2006	Dealers of alternative fuels.
9	Boats Under 16 Feet (Watercraft Excise Tax)	\$5,633,000	82.49.020(3)		Watercraft excise tax exemption for: boats owned by the military or federal, state or local gov't; boats with less than 10 horsepower motors; boats < 16 feet in length with no motor; all human powered boats; vessels in state for repair; and documented vessels primarily engaged in interstate commerce.	Commercial vessel exemption - to avoid creating impermissible burden on interstate commerce and recognize the prohibition against directly taxing the federal gov't. Small and human-powered boats exemption - to minimize admin. costs.	1983	Owners of small boats.
10	Bonneville Power Admin Program (B&O Tax)	\$641,000	82.04.310(4)	6/30/2015	B&O tax exemption for amounts received as credits against power contracts with the Bonneville Power Administration (BPA) or funds provided by the BPA for the purpose of implementing energy conservation programs.	Encourage energy conservation.	2010	Washington electric utility companies.
11	Competitive Telephone Service (Sales and Use Tax)	\$65,596,000	82.04.050(1)(a)		Sales/use tax exemption for purchases of tangible personal property provided to consumers as part of a competitive telephone service.	Avoid the possibility of double taxation of the same product.	1981	Providers of telecommunication services.
12	Comprehensive Cancer Centers (B&O Tax)	Not disclosable	82.04.4265		B&O tax exemption for receipts by comprehensive cancer centers to the extent the amounts are exempt from federal income tax.	Encourage cancer research.	2005	One entity.
13	Comprehensive Cancer Centers (Sales and Use Tax)	Not disclosable	82.08.808; 82.12.808		Sales/use tax exemption for sales of medical supplies, chemicals, or materials to a comprehensive cancer center. The exemption does not extend to construction, office equipment, administrative supplies or vehicles.	Encourage cancer research.	2005	One entity.

	A	B	C	D	E	F	G	H
1	Tax Preference	Savings Amount	RCW	Expiration Date	Description	Purpose	Year Enacted	Primary Beneficiaries
14	Core Deposits and Tire Fees (Sales and Use Tax)	\$354,000	82.08.036; 82.12.038		Sales/use tax exemption for value of returnable products accepted by vendors for recycling or remanufacturing. Also, the \$1.00 tire assessment imposed under RCW 70.95.510 is excluded from the measure of tax.	Core charge exemption unnecessary as these items are considered as trade-ins and already exempt. Tire fee exemption affirms that sales tax was not intended to apply to amounts representing payment of another tax.	1989	Purchasers of rebuilt auto parts and tire dealers.
15	Drug Delivery Systems (Sales and Use Tax)	\$1,156,000	82.08.935; 82.12.935		Sales/use tax exemption for disposable devices used to deliver drugs to humans, including syringes, tubing and catheters.	Lessen the cost of drug delivery systems.	2003; previously exempt under RCW 82.08.0281	Hospitals, physicians, and patients.
16	Fish Cleaning (B&O Tax)	\$26,000	82.04.2403		B&O tax exemption for cleaning fresh-water fish. Cleaning is defined as the removal of the head, fins, or viscera from the fish without further processing.	Support the fresh-water fishing industry.	1994	A very small number of firms benefit from this exemption.
17	Foreclosure Relocation Assistance (Real Estate Excise Tax)	Not in DOR Report	82.45.030(3)				2011	
18	Forest Derived Biomass (B&O Tax)	\$262,000	82.04.4494	6/30/2015	B&O tax credit for each harvested green ton of forest-derived biomass sold, transferred or used to produce electricity, steam, heat, or bio-fuel. The credit was \$3.00 per ton for harvests in FY11 - FY13 and \$5.00 for harvests during FY14-15.	Support the production of alternative fuels.	2009	The forest products industry.
19	Forest Land Special Assessments (Property Tax)	\$0	84.33.210(1)		Land designated as forest land is exempt from special benefit assessments.	Relieve forest land owners of the costs related to development of adjacent land.	1992	No beneficiaries identified.
20	Free Public Hospitals (Sales and Use Tax)	Not disclosable	82.08.02795; 82.12.02745		Sales/use tax exemption for purchase or use of tangible personal property by free hospitals when used in hospital operation or providing health care services. The hospital cannot charge its patients for health care services received.	Reduce health services costs provided by hospitals that do not charge their patients.	1993	One such hospital operates in Washington.
21	Hanford Lease Fees (Leasehold Excise Tax)	Not disclosable	82.29A.020(2)		When determining leasehold tax on lands on the Hanford reservation that are subleased to a private or public entity by the Department of Ecology, the term "taxable rent" includes only the annual cash rental payment and does not include fees, assessments, or other charges.	Reduce the cost of such leases.	1991	One firm meets the special criteria for this exclusion.
22	Horse Race Tracks (Sales and Use Tax)	(\$1,036,000)	82.66.040		Sales/use tax deferral for construction of a thoroughbred horse racing facility in Western Washington, if construction began by 7/01/1998. The facility was completed in 1996. Repayment of deferred tax starts 10 years after project completion and is repaid over 10 years. First repayment was	Encourage construction of the Emerald Downs track.	1995; repayment period extended to 10 years in 1998	The Emerald Downs track, and Washington's horse racing industry.
23	Human Body Parts (Sales and Use Tax)	\$425,000	82.08.02806; 82.12.02748		Sales/use tax exemption for sales of human blood, tissue, organs, bodies, or body parts when they are used for medical research or quality control testing.	Support medical research in Washington.	1996	Medical research organizations.
24	Inmate Employment Programs (Leasehold Excise Tax)	\$0	82.29A.130(12)		Leasehold excise tax exemption for firms that use space in state adult correctional facilities in conjunction with comprehensive inmate work programs.	Promote such programs.	1992	None currently. This program was found to be unconstitutional by the Washington State Supreme Court in 2004.
25	Life Sciences Discovery Fund (B&O Tax)	Not disclosable	82.04.4263		B&O tax exemption for income received by the Life Sciences Discovery Fund.	Stimulate research and development in the life sciences.	2005	The Life Sciences Discovery Fund.

	A	B	C	D	E	F	G	H
1	Tax Preference	Savings Amount	RCW	Expiration Date	Description	Purpose	Year Enacted	Primary Beneficiaries
26	Local Government Business Income (B&O Tax)	\$40,080,000	82.04.419		B&O tax exemption for local governments, including school and fire districts, with the exception of income from utility or enterprise activities.	Reflect the legislative policy of not taxing government activities, except for proprietary activities such as the provision of utility services.	1983	Local governments.
27	Nebulizers (Sales and Use Tax)	\$1,182,000	82.08.803; 82.12.803		Sales/use tax exemption in the form of a refund for nebulizers prescribed for human use by a physician.	Lessen the cost of nebulizers.	2004; previously exempt as drug delivery systems	Persons who use prescribed nebulizers.
28	Nonfuel Use of Petroleum (Oil Spill Tax)	\$387,000	82.23B.045		Oil spill tax credit for any oil spill tax previously paid on crude oil or petroleum products that are not ultimately used as fuel or are used in a manufacturing process.	Ensure the tax applies only to crude oil or petroleum that is ultimately used as fuel.	1991	Manufacturers and consumers of crude oil and petroleum products.
29	Nonprofit Cancer Treatment Clinics (Property Tax)	\$7,776,000	84.36.046		Property tax exemption for real and personal property of clinics primarily used to prevent, detect and treat cancer, if the clinic is comprised of or formed by a nonprofit organization or municipal hospital corporation.	To exempt outpatient nonprofit cancer clinics and centers. Nonprofit hospitals are exempt under RCW 84.36.040 but that statute does not cover outpatient clinics.	1997	Six organizations comprising 25 parcels.
30	Nonprofit Credit and Debt Counseling (B&O Tax)	\$0	82.04.368		B&O exemption for nonprofit organizations that provide counseling services for consumers relating to credit and debt issues on income received for such services.	Reduce the cost of providing such services.	1993	A very small number of organizations potentially qualify. While more than 24 firms provide such counseling services, most are for profits.
31	Nonprofit Dialysis Facilities (Property Tax)	\$1,394,000	84.36.040(1)(f)		Property tax exemption for real and personal property used by nonprofit organizations as outpatient dialysis treatment facilities.	In the past, organizations performing dialysis treatment at facilities they owned were exempt as hospitals. Now, dialysis treatments may be provided at separate leased outpatient facilities.	1987	Approximately six organizations providing outpatient dialysis services comprising 34 parcels.
32	Nonprofit Emergency or Transitional Housing (Property Tax)	\$5,704,000	84.36.043		Property tax exemption for real and personal property used by a nonprofit organization to provide emergency or transitional housing for low-income, homeless persons, or for domestic violence victims who are homeless for reasons of personal safety.	Support the services provided by such organizations.	1983	Approximately 213 organizations comprising 398 parcels.
33	Nonprofit Fundraising (Property Tax)	\$493,000	84.36.550		Property tax exemption for real and personal property owned by nonprofit organizations and used for solicitation or collection of gifts, donations or grants.	Support the fund-raising activities of such nonprofit organizations.	1993	Approximately 12 organizations.
34	Nonprofit Homes for Aging (Property Tax)	\$24,843,000	84.36.041		Property tax exemption for real and personal property used by a nonprofit home for the aging if certain qualifying criteria are met.	Provide equity between senior citizens who own their homes and qualify for the senior citizens property tax exemption and those who live in homes for the aging.	Established as a separate statute in 1989	Approximately 115 nonprofit retirement homes comprising 426 parcels.
35	Nonprofit Medical Research and Training Facilities (Property Tax)	\$9,905,000	84.36.045		Property tax exemption for real and personal property that is owned/used by nonprofit corporations or associations that is available without charge for research by, or for the training of, health care and hospital personnel.	Support nonprofit medical research and training facilities.	1975; extended in 1998 to leased facilities	Approximately 8 medical research centers comprising 21 parcels.
36	Organ Procurement (B&O Tax)	Not disclosable	82.04.326		B&O tax exemption for nonprofit organ procurement organizations on income which is exempt from federal income tax.	Extend the same tax treatment available to blood, bone and tissue banks.	2002	Nonprofit organizations that locate and obtain human organs for transplant operations.
37	Organ Procurement (Sales and Use Tax)	Not disclosable	82.08.02807; 82.12.02749		Sales/use tax exemption for medical supplies, chemicals or materials purchased by organ procurement organizations.	Support these organizations' activities by allowing the same treatment as for blood, bone and tissue banks.	2002	It is believed that two entities qualify for the exemption.

	A	B	C	D	E	F	G	H
1	Tax Preference	Savings Amount	RCW	Expiration Date	Description	Purpose	Year Enacted	Primary Beneficiaries
38	Ostomic Items (Sales and Use Tax)	\$590,000	82.08.804; 82.12.804		Sales/use tax exemption for ostomic items used by colostomy, ileostomy, or urostomy patients, such as disposable bags, belts, tape, tubes, soap, jellies, germicides, etc.	Lessen the cost of ostomic items.	2004; previously exempt under RCW 82.08.804.	Colostomy, ileostomy or urostomy patients.
39	Performing Arts (Property Tax)	\$7,398,000	84.36.060(1)(b)		Property tax exemption for real and personal property owned by or leased to nonprofit organizations engaging in production and performance of musical, dance, artistic, dramatic or literary works for the benefit of the public.	Support artistic, literary, musical, dance or dramatic organizations and recognize the educational and artistic contribution they make to society.	1981	Organizations such as community theaters, dance companies, art centers, etc. About 88 parcels owned by 66 organizations are exempt.
40	Secondary Transportation (Oil Spill Tax)	\$0	82.23B.030		Oil spill tax exemption for transportation or off-loading of the same products after the initial off-loading in Washington.	The tax is intended to apply only to the initial off-loading of crude oil or petroleum products in Washington.	1991	Washington refiners and manufacturers. Exemption applies if oil is off-loaded in WA from a vessel and then off-loaded again in state.
41	Testing and Safety Labs (B&O Tax)	Not disclosable	82.04.434		B&O credit for the value of services and information provided to the state of Washington free of charge by a laboratory that tests products for public safety purposes.	Encourage a laboratory of this type to locate in Washington and ensure that these services are available for the safety of Washington residents.	1991	One firm.
42	Trade Shows (B&O Tax)	\$22,000	82.04.4282(6)		B&O tax deduction for nonprofit trade or professional organizations for charges made in conjunction with trade shows, conventions and educational seminars, as long as the event is not open to the general public.	Encourage trade shows, conventions and educational seminars to take place in this state.	1989	Nonprofit organizations that sponsor trade shows.
43	Tuna, Mackerel, and Jack Fish (Enhanced Food Fish Tax)	\$578,000	82.27.010		Enhanced food fish tax exemption for tuna, mackerel and jack fish.	Reflect economic conditions facing fishers of tuna, mackerel and jack fish and possibly the fact that albacore tuna have a vast migratory range and are largely caught in international waters.	1995	Fishers of tuna, mackerel and jack fish.
44	Used Mobile Homes (Sales and Use Tax)	\$39,270,000	82.08.033; 82.12.033		Sales/use tax exemption for sales, rentals or leases (more than 30 days) of a used mobile home attached to the land.	Provide tax treatment comparable to residential real estate. The initial purchase of a mobile home, like a home built by a contractor for a person, is subject to sales tax. Later sales of mobile homes attached to land are subject to real estate excise tax rather than sales tax, like other homes.	1979	Purchasers/renters of used mobile homes.
45	Vaccine Association (B&O Tax)	Not disclosable	82.04.640		The Washington Vaccine Association collects funds from health care insurers and third party administrators for the cost of vaccines provided to children. Funds received by the Association are exempt from B&O tax.	Improve the health of children.	Other business. 2010	The Washington Vaccine Association.
46	Wax and Ceramic Materials to Create Molds (Sales and Use Tax)	\$612,000	82.08.983; 82.12.983	6/30/2015	Sales/use tax exemption for sales of wax or ceramic materials used to create molds that are consumed during the process of creating ferrous and nonferrous investment castings used in industrial applications.	Encourage the production of castings in Washington.	Business incentive. 2010	There are approximately 21 firms that might benefit.
47	Wood Biomass Fuel Manufacturing (B&O Tax)	\$0	82.04.260(1)(f)		Preferential B&O tax rate of 0.138 percent for manufacturers of wood biomass fuel. The general tax rate for manufacturing is 0.484 percent.	Encourage the production of alternative fuels in Washington.	Business incentive. 2003 (exemption for biodiesel ended in 2009)	There are currently no manufacturers operating in this state.
48	Wood Biomass Fuel Production Facilities (Leasehold Excise Tax)	\$0	82.29A.135(1)(e),(2)	12/31/2015	Leasehold excise tax exemption for property used to manufacture biomass fuels.	Legislature did not state. JLARC staff infers to 1) promote production of renewable fuels from biomass; 2) reduce air pollution and greenhouse gas emissions; and 3) develop new ways to use wood biomass to generate biofuels.	2003	Continue and modify expiration date
49	Wood Biomass Fuel Production Facilities (Property Tax)	\$0	84.36.640	12/31/2015	Property tax exemption for buildings, machinery and equipment, and other personal property used to manufacture wood biomass fuel.	Legislature did not state. JLARC staff infers to 1) promote production of renewable fuels from biomass; 2) reduce air pollution and greenhouse gas emissions; and 3) develop new ways to use wood biomass to generate biofuels.	2003	Continue and modify expiration date