



# Citizen Commission for Performance Measurement of Tax Preferences

William A. Longbrake, *Chair*  
Governor's Council of Economic Advisors

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

James Bobst  
Pacific Fibre Products, Inc.

Ruta Fanning  
Retired Legislative Auditor

Paul Guppy  
Washington Policy Center


**Non-voting Members:**

Senator Craig Pridemore  
Chair, Joint Legislative Audit  
and Review Committee

Brian Sonntag  
State Auditor

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September 4, 2012

**TO:** Members of the Citizen Commission for Performance Measurement of Tax Preferences  
**FROM:** Keenan Konopaski, Legislative Auditor   
**SUBJECT:** Materials for the September 14, 2012, Commission Meeting

The agenda for our September meeting covers four areas: 1) approval of minutes; 2) approval of the 10-year review schedule as revised by JLARC staff; 3) public comments on the 2012 tax preference reviews; and 4) explanation of the process for adopting commissioner comments. Items in this packet are arranged in these four areas.

Please remember that the meeting will start at **2:00 p.m.**, in Senate Hearing Room 3 of the John A. Cherberg Building, in Olympia.

**1. APPROVAL OF MINUTES**

Draft minutes from the August 24, 2012, meeting are included in this packet for approval at the meeting.

**2. DISTRIBUTION AND FINAL APPROVAL OF 10-YEAR REVIEW SCHEDULE AS REVISED BY JLARC STAFF**

At the August meeting, commissioners adopted a new 10-year review schedule, which includes the preferences to be reviewed in detail by JLARC in 2013. After the meeting, JLARC staff revised the schedule to reflect the Commission's decisions and made a number of technical changes. The technical changes were necessary because JLARC staff recently updated the information system that supports the production of the schedule.

JLARC staff do not believe any of these technical changes warrant a change in the preferences to be reviewed in 2013. However, because the list of preferences is different than what was available at last month's meeting, the Commission should formalize adopting this document as the official 10-year schedule.

This updated schedule includes five new preferences that were added during the 2012 legislative sessions and not previously identified:

Preference Name	Year of Review
Motion Picture Program Contributions (B&O Tax)	2015
Dispute Resolution Services (B&O Tax)	2022
Publicly Owned Cargo Cranes and Docks (Leasehold Excise Tax)	2022
Nonprofit Youth Character Building Leases (Property Tax)	2022
Personal Property Tax Penalty Waiver (Property Tax)	2022

In addition, some preference names were changed, some were split into separate preferences, and some fiscal impacts were revised.

At the meeting a motion will be in order to approve the 10-year schedule as revised by JLARC staff.

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### 3. PUBLIC COMMENT ON 2012 JLARC TAX PREFERENCE REVIEWS

Time on the agenda is reserved mostly for public comment on the 2012 reviews. There are no materials enclosed for this item.

### 4. PROCESS FOR PROPOSING COMMISSIONER COMMENTS

At the meeting, we will have a brief discussion of our process for receiving draft comments from Commissioners and distributing them for your review in advance of the October Commission meeting. There are no materials enclosed for this item.

Draft comments from individual Commissioners will be due to me about two weeks after the September meeting on Monday, October 1. JLARC staff will then assemble a document grouping the comments and distribute it to all Commissioners in advance of the October 9<sup>th</sup> meeting. The Commission will take action to adopt comments at the October 9<sup>th</sup> meeting.

If you have any questions about these materials or the agenda, please contact me at 360-786-5187.

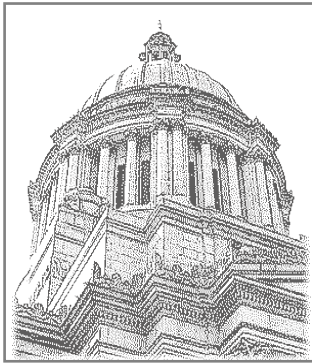
cc: Stacia Hollar, Assistant Attorney General  
Brad Flaherty, Director, Department of Revenue  
Vikki Smith, Deputy Director, Department of Revenue  
Kathy Oline, Assistant Director, Research, Department of Revenue  
Stan Marshburn, Office of Financial Management

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*  
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Brian Sonntag  
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Performance Measurement of  
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## **AGENDA**

**Friday, September 14, 2012**

**2:00 p.m.**

**John A. Cherberg Bldg.  
Senate Hearing Rm. 3  
Olympia, WA**

- \*1. Approval of August 24, 2012, Commission Meeting Minutes
- \*2. Distribution and Final Approval of 10-year Review Schedule as Revised by JLARC Staff
3. Public Comment on 2012 JLARC Tax Preference Reviews
4. Process for Proposing Commissioner Comments  
*[Discussion only]*

\* *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**  
Governor's Council of Economic Advisors

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**Brian Sonntag**  
State Auditor

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

August 24, 2012  
John A. Cherberg Bldg.,  
Senate Hearing Rm. 3  
Olympia, WA

**Members Present:**

William A. Longbrake  
James Bobst  
Paul Guppy

Stephen Miller  
Ruta Fanning  
Sen. Craig Pridemore

**Members Absent:**

Brian Sonntag

**Staff:**

Keenan Konopaski  
Mary Welsh  
Peter Heineccius  
Eric Tietz

John Woolley  
Dana Lynn  
Suzanne Kelly  
Stacia Hollar, AG's Office

### WELCOME / INTRODUCTIONS

Keenan Konopaski, Legislative Auditor, welcomed those in attendance and called the meeting to order at 2:05 p.m.

Keenan Konopaski informed the Commission that Lily Kahng had stepped down as Commissioner. He then introduced Ruta Fanning, the new Commissioner appointed by the Senate Democratic Caucus.

Keenan Konopaski also introduced Stacia Hollar, the new assistant attorney general for the Commission, as well as Eric Tietz, a first year law student and intern working for JLARC on the tax preference reviews.

### ELECTION OF OFFICERS

Keenan Konopaski asked for nominations for the office of Chair. Commissioner Guppy nominated Bill Longbrake.

**MOTION:** A motion was made to appoint Bill Longbrake as Chair of the Commission until June 30, 2014.

The motion was seconded and carried.

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August 24, 2012

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Chair Longbrake asked for nominations for the office of Vice Chair. Commissioner Fanning nominated Stephen Miller.

**MOTION:** A motion was made to appoint Stephen Miller as Vice Chair of the Commission until June 30, 2014.

The motion was seconded and carried.

## **APPROVAL OF MEETING MINUTES**

**MOTION:** A motion was made to approve the May 21, 2012, meeting minutes.

The motion was seconded and carried. Commissioner Fanning abstained from the vote, as she was not present at the May 21, 2012, meeting.

## **DEMONSTRATION OF TAX PREFERENCE COMMISSION WEBSITE**

John Woolley, JLARC staff, gave an overview of the features available on the Citizen Commission website. Chair Longbrake asked staff to add a section on media reports about the Commission and whether staff can track traffic to the website. Staff agreed to pursue these features.

## **PEW RESEARCH CENTER PRESENTATION**

Jeff Chapman of the Pew Center on the States gave a presentation of the Pew Center's report on states' efforts to review tax preferences. The Commission discussed the report and some approaches it recommends that might be used in Washington.

## **APPROVAL OF 10-YEAR TAX PREFERENCE REVIEW SCHEDULE / 2013 LIST OF REVIEWS**

John Woolley presented the list of 21 preferences approved by the Commission at the May 21, 2012, meeting for JLARC review in 2013. Staff suggested to the Commission that they move the previously approved review of Customer-Generated Power (Public Utility Tax) to the 2016 review schedule due to a misstated expiration date. Staff also noted that one of the two preferences under consideration for 2013 review, Competitive Telephone Service (Sales and Use Tax), may be administrative in nature and suggested that the Commission may wish to schedule a different preference for a full JLARC review instead. For this alternative, staff suggested the preference for Prescription Drug Resellers (B&O Tax), which is currently scheduled for review in 2014, because it is a healthcare related preference with a significant fiscal impact.

**MOTION:** A motion was made to remove Customer-Generated Power (Public Utility Tax) from the 2013 review schedule identified at the May 2012 Commission meeting and reschedule it for review in 2016; and to adopt two additional preferences for full JLARC review in 2013: Kidney Dialysis Equipment (Sales and Use Tax) and Prescription Drug Resellers (B&O Tax)

The motion was seconded and carried.

**MOTION:** A motion was made to adopt the 2012 10-Year Schedule, as amended by the previous motion.

The motion was seconded and carried.

### **PRESENTATION OF THE 2012 TAX PREFERENCE PERFORMANCE REVIEWS**

John Woolley, Mary Welsh, Dana Lynn, and Peter Heineccius presented the 2012 Tax Preference Performance Reviews. The presentation focused on the 13 reviews with staff recommendations involving legislative review, clarification, or termination.

### **PUBLIC COMMENT**

Chair Longbrake reminded the audience that the entire September 14 meeting was devoted to public testimony.

Michael Mitchell, representing the Washington Budget and Policy Center, provided public testimony in support of the use of sunset dates for tax preferences.

Lew McMurrin, representing the Washington Technology Industry Association, provided public testimony in support of the preferences for the high technology industry.

Amber Carter, representing the Association of Washington Business, provided public testimony in support of the preferences for the high technology industry.

With no further public comment Chair Longbrake adjourned the meeting at 5:11 p.m.

# 2013-2022 10-Year Tax Preference Review Schedule (August 2012)

Sorted by Group and Biennial Beneficiary Savings

Citizen Commission for Performance  
Measurement of Tax Preferences

Joint Legislative Audit and Review Committee

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Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2013 (71 Total Preferences)</b>			
<i>2013: Scheduled for JLARC Review (23 Preferences)</i>			
1 Health Maintenance Organizations (B&O Tax)	82.04.322	1993	\$336,000,000
2 Medicare and Basic Health Plan Receipts by Public and Nonprofit Hospitals (B&O Tax)	82.04.4311	2002	\$224,000,000
3 Local Residential and Coin-Op Telephone Service (Sales Tax)	82.08.0289	1983	\$119,116,000
4 Medicare Receipts (Insurance Premiums Tax)	48.14.0201(6)(a)	1993	\$83,736,000
5 Retailing (B&O Tax)	82.04.250(1)	1983	\$52,191,000
6 Prescription Drug Resellers (B&O Tax)	82.04.272	1998	\$33,753,000
7 Dentistry (Insurance Premiums Tax)	48.14.0201(6)(c)	1993	\$24,524,000
8 Fishing Boat Fuel (Sales and Use Tax)	82.08.0298; 82.12.0298	1987	\$15,966,000
9 Nonprofit Youth Recreation Services and Local Government Fitness Classes (Sales and Use Tax)	82.08.0291; 82.12.02917	1981	\$15,132,000
10 Medical Devices (Sales and Use Tax)	82.08.0283; 82.12.0277	1975	\$10,744,000
11 Basic Health Plan Receipts (Insurance Premiums Tax)	48.14.0201(6)(b)	2005	\$10,348,000
12 Tree Trimming Under Power Lines (Sales and Use Tax)	82.04.050(3)(e)	1995	\$10,326,000
13 Artistic and Cultural Organizations (B&O Tax)	82.04.4322; 82.04.4324; 82.04.4326; 82.04.4327	1981	\$7,974,000
14 Nonprofit Blood, Bone, and Tissue Banks (Sales and Use Tax)	82.08.02805; 82.12.02747	1995	\$7,153,000
15 Insulin (Sales and Use Tax)	82.08.985; 82.12.985	2004	\$6,082,000
16 Artistic and Cultural Organizations (Sales and Use Tax)	82.08.031; 82.12.031	1981	\$5,994,000
17 Fuel Used in Commercial Vessels (B&O Tax)	82.04.433	1985	\$5,953,000
18 Use Tax on Rental Value (Use Tax)	82.12.010(7)(c)	1985	\$5,885,000
19 Prescription Drug Administration (B&O Tax)	82.04.620	2007	\$3,000,000
20 Nonprofit Blood, Bone, and Tissue Banks (B&O Tax)	82.04.324	1995	\$2,214,000
21 Rural County and CEZ New Jobs (B&O Tax)	82.62.030; 82.62.045	1986	\$2,032,000
22 Kidney Dialysis Equipment (Sales and Use Tax)	82.08.945; 82.12.945	2003	\$1,584,000
23 Dietary Supplements (Sales and Use Tax)	82.08.925; 82.12.925	2003	\$1,579,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2013 (71 Total Preferences)</b>			
<i>2013: Scheduled for Expedited Review (48 Preferences)</i>			
1 Competitive Telephone Service (Sales and Use Tax)	82.04.050(1)(a)	1981	\$65,596,000
2 Local Government Business Income (B&O Tax)	82.04.419	1983	\$40,080,000
3 Used Mobile Homes (Sales and Use Tax)	82.08.033; 82.12.033	1979	\$39,270,000
4 Nonprofit Homes for Aging (Property Tax)	84.36.041	1989	\$24,843,000
5 Nonprofit Medical Research and Training Facilities (Property Tax)	84.36.045	1975	\$9,905,000
6 Nonprofit Cancer Treatment Clinics (Property Tax)	84.36.046	1997	\$7,776,000
7 Performing Arts (Property Tax)	84.36.060(1)(b)	1981	\$7,398,000
8 Nonprofit Emergency or Transitional Housing (Property Tax)	84.36.043	1983	\$5,704,000
9 Boats Under 16 Feet (Watercraft Excise Tax)	82.49.020(3)	1983	\$5,633,000
10 Nonprofit Dialysis Facilities (Property Tax)	84.36.040(1)(f)	1987	\$1,394,000
11 Nebulizers (Sales and Use Tax)	82.08.803; 82.12.803	2004	\$1,182,000
12 Drug Delivery Systems (Sales and Use Tax)	82.08.935; 82.12.935	2003	\$1,156,000
13 Alternative Fuel Vehicles (Sales and Use Tax)	82.08.809; 82.12.809	2005	\$680,000
14 Bonneville Power Admin Program (B&O Tax)	82.04.310(4)	2010	\$641,000
15 Wax and Ceramic Materials to Create Molds (Sales and Use Tax)	82.08.983; 82.12.983	2010	\$612,000
16 Ostomic Items (Sales and Use Tax)	82.08.804; 82.12.804	2004	\$590,000
17 Tuna, Mackerel, and Jack Fish (Enhanced Food Fish Tax)	82.27.010	1995	\$578,000
18 Biodiesel and Alcohol Fuel Production Facilities (Leasehold Excise Tax)	82.29A.135(1)(a)-(d),(2)	1980	\$559,000
19 Nonprofit Fundraising (Property Tax)	84.36.550	1993	\$493,000
20 Human Body Parts (Sales and Use Tax)	82.08.02806; 82.12.02748	1996	\$425,000
21 Nonfuel Use of Petroleum (Oil Spill Tax)	82.23B.045	1991	\$387,000
22 Core Deposits and Tire Fees (Sales and Use Tax)	82.08.036; 82.12.038	1989	\$354,000
23 Biodiesel and Alcohol Fuel Production Facilities (Property Tax)	84.36.635	2003	\$264,000
24 Forest Derived Biomass (B&O Tax)	82.04.4494	2009	\$262,000
25 Baseball Stadiums (Leasehold Excise Tax)	82.29A.130(14)	1995	\$216,000
26 Biodiesel and E85 Fuel Sales (B&O Tax)	82.04.4334	2003	\$191,000
27 Biodiesel and E85 Fuel Distribution (Sales and Use Tax)	82.08.955; 82.12.955	2003	\$28,000



Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2013 (Continued - 71 Total Preferences)</b>			
28 Fish Cleaning (B&O Tax)	82.04.2403	1994	\$26,000
29 Trade Shows (B&O Tax)	82.04.4282(6)	1989	\$22,000
30 Wood Biomass Fuel Manufacturing (B&O Tax)	82.04.260(1)(f)	2003	\$0
31 Nonprofit Credit and Debt Counseling (B&O Tax)	82.04.368	1993	\$0
32 Secondary Transportation (Oil Spill Tax)	82.23B.030	1991	\$0
33 Inmate Employment Programs (Leasehold Excise Tax)	82.29A.130(12)	1992	\$0
34 Wood Biomass Fuel Production Facilities (Leasehold Excise Tax)	82.29A.135(1)(e),(2)	2003	\$0
35 Forest Land Special Assessments (Property Tax)	84.33.210(1)	1992	\$0
36 Wood Biomass Fuel Production Facilities (Property Tax)	84.36.640	2003	\$0
37 Horse Race Tracks (Sales and Use Tax)	82.66.040	1995	(\$1,036,000)
38 Baseball Stadiums (Sales and Use Tax)	36.100.090	1995	(\$6,544,000)
39 Organ Procurement (B&O Tax)	82.04.326	2002	Not disclosable
40 Life Sciences Discovery Fund (B&O Tax)	82.04.4263	2005	Not disclosable
41 Comprehensive Cancer Centers (B&O Tax)	82.04.4265	2005	Not disclosable
42 Testing and Safety Labs (B&O Tax)	82.04.434	1991	Not disclosable
43 Vaccine Association (B&O Tax)	82.04.640	2010	Not disclosable
44 Free Public Hospitals (Sales and Use Tax)	82.08.02795; 82.12.02745	1993	Not disclosable
45 Organ Procurement (Sales and Use Tax)	82.08.02807; 82.12.02749	2002	Not disclosable
46 Comprehensive Cancer Centers (Sales and Use Tax)	82.08.808; 82.12.808	2005	Not disclosable
47 Hanford Lease Fees (Leasehold Excise Tax)	82.29A.020(2)	1991	Not disclosable
48 Foreclosure Relocation Assistance (Real Estate Excise Tax)	82.45.030(3)	2011	Not in DOR Report

## 2014 (68 Total Preferences)

### 2014: Aircraft (12 Preferences)

1 Aircraft Pre-Production Expenditures (B&O Tax)	82.04.4461	2003	\$194,830,000
2 Commercial Aircraft Manufacturing - Preferential Rate (B&O Tax)	82.04.260(11)	2003	\$177,574,000
3 Aircraft Pre-Production Computer Expenditures (Sales and Use Tax)	82.08.975; 82.12.975	2003	\$33,391,000
4 Commercial Aircraft Manufacturing - Credit for Taxes Paid (B&O Tax)	82.04.4463	2003	\$8,000,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2014 (Continued - 68 Total Preferences)</b>			
5 Aerospace Product Development (B&O Tax)	82.04.290(3)	2008	\$2,523,000
6 Aircraft Part Prototypes (Sales and Use Tax)	82.08.02566; 82.12.02566	1997	\$1,293,000
7 Nonresident Keeping Aircraft In-State (Aircraft Excise Tax)	82.48.100(6)	1999	\$4,000
8 Superefficient Aircraft Production (Sales and Use Tax)	82.08.980; 82.12.980	2003	\$0
9 Superefficient Aircraft Production Facilities (Leasehold Excise Tax)	82.29A.137	2003	\$0
10 Superefficient Aircraft Production Facilities (Property Tax)	84.36.655	2003	\$0
11 Commercial Airplane Part Place of Sale (B&O Tax)	82.04.627	2008	Not in DOR Report
12 Commuter Airplanes (Sales and Use Tax)	82.08.0262; 82.12.0254	2009	Not in DOR Report
<b>2014: Uncategorized (56 Preferences)</b>			
1 Sales Subject to Public Utility Tax (Sales Tax)	82.08.0252	1935	\$305,619,000
2 Multiple Activities Credit (B&O Tax)	82.04.440	1987	\$288,759,000
3 Electric Power Exported or Resold (Public Utility Tax)	82.16.050(11)	1989	\$130,000,000
4 Natural Gas Subject to Public Utility Tax (Use Tax)	82.12.022(4)	1989	\$67,190,000
5 Prewritten Computer Software (Property Tax)	84.40.037	1991	\$32,866,000
6 International Investment Management (B&O Tax)	82.04.290(1)	1995	\$20,029,000
7 Sewerage Processing and Disposal (Public Utility Tax)	82.16.050(13)	1987	\$16,785,000
8 Historic Property (Property Tax)	84.26.070	1985	\$16,567,000
9 Custom Computer Software (Property Tax)	84.36.600	1991	\$13,808,000
10 Nonprofit Fundraising (Sales Tax)	82.08.02573	1998	\$13,653,000
11 Fruit and Vegetable Manufacturing - Exemption (B&O Tax)	82.04.4266	2005	\$9,600,000
12 Seafood Products Manufacturing - Exemption (B&O Tax)	82.04.4269	2006	\$6,500,000
13 Film and Video Production Equipment (Sales and Use Tax)	82.08.0315; 82.12.0315	1995	\$5,656,000
14 Multi-Unit Urban Housing (Property Tax)	84.14.020	1995	\$5,408,000
15 Microbrewers (Beer Tax)	66.24.290(3)(b)	1993	\$5,016,000
16 Wholesale Auto Auctions (B&O Tax)	82.04.317; 82.04.422(1)	1997	\$2,900,000
17 Dairy Products Manufacturing - Exemption (B&O Tax)	82.04.4268	2006	\$2,900,000
18 Child Care (B&O Tax)	82.04.2905	1998	\$2,246,000
19 Air Pollution Control Facilities (Property Tax)	84.36.487	1997	\$2,078,000
20 Church Child Care (B&O Tax)	82.04.339	1992	\$1,712,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2014 (Continued - 68 Total Preferences)</b>			
21 Products Shipped Out-of-State (Litter Tax)	82.19.050(1)	1992	\$1,587,000
22 Mental Health Services (B&O Tax)	82.04.4277	2011	\$1,451,000
23 Nonprofit Developmentally Disabled Housing (Property Tax)	84.36.042	1998	\$992,000
24 Emergency Transport (Aircraft Fuel Tax)	82.42.020	2003	\$753,000
25 Low Value Parcels (Property Tax)	84.36.015	1997	\$740,000
26 Nonprofit Fundraising (B&O Tax)	82.04.3651	1998	\$721,000
27 Vending Machine Sales (Sales Tax)	82.08.080	1963	\$540,000
28 Vessel Use by Manufacturers or Dealers (Use Tax)	82.12.800; 82.12.801; 82.12.802	1997	\$496,000
29 Nonprofit Camps and Conference Centers (Sales Tax)	82.08.830	1997	\$439,000
30 Academic Transcripts (Sales and Use Tax)	82.08.02537; 82.12.0347	1996	\$324,000
31 Football Stadiums (Leasehold Excise Tax)	82.29A.130(15)	1997	\$286,000
32 Public Records Copies (Sales and Use Tax)	82.08.02525; 82.12.02525	1996	\$238,000
33 Nonprofit Camps and Conference Centers (B&O Tax)	82.04.363	1997	\$232,000
34 Habitat and Water Quality Improvements (Property Tax)	84.36.255	1997	\$102,000
35 Gun Safes (Sales and Use Tax)	82.08.832; 82.12.832	1998	\$54,000
36 Academic Transcripts (B&O Tax)	82.04.399	1996	\$18,000
37 International Services (B&O Tax)	82.04.44525	1998	\$10,000
38 Second Narrows Bridge (Sales and Use Tax)	47.46.060	1998	\$0
39 Aluminum Master Alloy Producers (B&O Tax)	82.04.110(2)(b)	1997	\$0
40 Seafood Products Manufacturing - Preferential Rate (B&O Tax)	82.04.260(1)(b)	1959	\$0
41 Dairy Products Manufacturing - Preferential Rate (B&O Tax)	82.04.260(1)(c)	2001	\$0
42 Fruit and Vegetable Manufacturing - Preferential Rate (B&O Tax)	82.04.260(1)(d)	1965	\$0
43 Natural Gas Surplus Sales (B&O Tax)	82.04.310(3)	2007	\$0
44 Gravitational Wave Observatory (Sales and Use Tax)	82.08.02569; 82.12.02569	1996	\$0
45 Second Narrows Bridge (Public Utility Tax)	82.16.046	1998	\$0
46 Second Narrows Bridge (Leasehold Excise Tax)	82.29A.132	1998	\$0
47 Bad Debts (Fuel Tax)	82.36.044	1998	\$0
48 Second Narrows Bridge (Real Estate Excise Tax)	82.45.190	1998	\$0
49 Second Narrows Bridge (Property Tax)	84.36.010(1)	1998	\$0

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2014 (Continued - 68 Total Preferences)</b>			
50 Football Stadiums (Sales and Use Tax)	36.102.070	1997	(\$7,462,000)
51 Second Narrows Bridge (B&O Tax)	82.04.416	1998	Not disclosable
52 Discount Program Memberships (B&O Tax)	82.04.421	1997	Not disclosable
53 Football Stadium and Exhibition Center Parking (Sales Tax)	82.08.02875	1997	Not disclosable
54 Air Pollution Control Facilities (Sales and Use Tax)	82.08.810; 82.12.810	1997	Not disclosable
55 Coal for Thermal Generating Plants (Sales and Use Tax)	82.08.811; 82.12.811	1997	Not disclosable
56 Racing Fuel (Fuel Tax)	82.36.247	1998	Not in DOR Report

## 2015 (64 Total Preferences)

### 2015: Agriculture (30 Preferences)

1 Agricultural Products (Property Tax)	84.36.470	1984	\$108,711,000
2 Farm Machinery Replacement Parts (Sales and Use Tax)	82.08.855; 82.12.855	2006	\$41,055,000
3 Fuel Used on Farms (Sales and Use Tax)	82.08.865; 82.12.865	2006	\$31,406,000
4 Horticultural Services for Farmers (Sales and Use Tax)	82.04.050(3)(e)	1993	\$12,980,000
5 Grain and Unprocessed Milk Wholesaling (B&O Tax)	82.04.332	1998	\$10,400,000
6 Farm Property (Estate Tax)	83.100.046	2005	\$8,765,000
7 Commercially Grown Fish or Shellfish (Enhanced Food Fish Tax)	82.27.030(2)	1980	\$5,888,000
8 Livestock Medicine (Sales and Use Tax)	82.08.880; 82.12.880	2001	\$4,390,000
9 Gas Used to Heat Chicken Houses (Sales and Use Tax)	82.08.910; 82.12.910	2001	\$2,784,000
10 Leased Irrigation Equipment (Sales and Use Tax)	82.08.0288; 82.12.0283	1983	\$2,482,000
11 Shipping Farm Products to Port (Public Utility Tax)	82.16.050(10)	2007	\$2,402,000
12 Farming Machinery and Equipment (Property Tax)	84.36.630	2001	\$2,157,000
13 Livestock Nutrient Management Equipment (Sales and Use Tax)	82.08.890; 82.12.890	2001	\$1,616,000
14 Hops Processed and Exported (B&O Tax)	82.04.337	1987	\$1,600,000
15 Farm-Worker Housing (Sales and Use Tax)	82.08.02745; 82.12.02685	1996	\$1,380,000
16 Christmas Tree Inputs (Sales and Use Tax)	82.04.213	1987	\$1,232,000
17 Seed Conditioning (B&O Tax)	82.04.120	1987	\$1,194,000
18 Conditioned Seed Wholesaling (B&O Tax)	82.04.331	1998	\$1,160,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2015 (Continued - 64 Total Preferences)</b>			
19 Horticultural Packing Materials (Sales and Use Tax)	82.08.0311; 82.12.0311	1988	\$918,000
20 Hay Cubing (B&O Tax)	82.04.120	1997	\$736,000
21 Chicken Bedding Materials (Sales and Use Tax)	82.08.920; 82.12.920	2001	\$696,000
22 Anaerobic Digesters for Dairies (Sales and Use Tax)	82.08.900; 82.12.900	2001	\$474,000
23 Christmas Tree Producers (B&O Tax)	82.04.100; 82.04.330	1987	\$431,000
24 Livestock Feed (Sales and Use Tax)	82.08.0296; 82.12.0296	1986	\$232,000
25 Custom Farming (B&O Tax)	82.04.625	2007	\$140,000
26 Aquaculture Feed (Sales and Use Tax)	82.08.0294; 82.12.0294	1985	\$138,000
27 Pollination Agents (Sales and Use Tax)	82.04.050(11)	1993	\$38,000
28 Nonprofit Demonstration Farms (Property Tax)	84.36.570	1999	\$10,000
29 Hauling Farm Products for Relatives (Public Utility Tax)	82.16.300	2007	\$0
30 Hop Commission Services (B&O Tax)	82.04.338	1998	Not disclosable
<b>2015: Aluminum (7 Preferences)</b>			
1 Aluminum Smelter Property Taxes (B&O Tax)	82.04.4481	2004	\$4,089,000
2 Aluminum Manufacturing (B&O Tax)	82.04.2909	2004	\$2,149,000
3 Aluminum Smelter Use of Natural Gas (Use Tax)	82.12.022(5)	2004	\$861,000
4 Aluminum Smelter Purchases (Sales and Use Tax)	82.08.805; 82.12.805	2009	\$157,000
5 Aluminum Smelter Electricity or Natural Gas Purchases (B&O Tax)	82.04.4482	2004	Not disclosable
6 Aluminum Production Anodes and Cathodes (Sales and Use Tax)	82.08.02568; 82.12.02568	1996	Not disclosable
7 Aluminum Smelter Purchases (Public Utility Tax)	82.16.0498	2004	Not disclosable
<b>2015: Uncategorized (27 Preferences)</b>			
1 Motor Vehicles, Travel Trailers, and Campers (Property Tax)	84.36.595	2000	\$1,496,860,000
2 Interest on Real Estate Loans (B&O Tax)	82.04.4292	1970	\$172,600,000
3 Electricity Sales for Resale (B&O Tax)	82.04.310(2)	2000	\$58,817,000
4 Nonprofit Low-Income Rentals (Property Tax)	84.36.560	1999	\$37,557,000
5 Warehouse Expansion (Sales and Use Tax)	82.08.820; 82.12.820	1997	\$8,096,000
6 Motion Picture Program Contributions (B&O Tax)	82.04.4489	2012	\$7,000,000
7 Salmon Habitat Timber (Timber Tax)	84.33.0775	1999	\$5,110,000
8 Public Facilities Districts (Leasehold Excise Tax)	82.29A.130(16)	1999	\$4,588,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2015 (Continued - 64 Total Preferences)</b>			
9 Accommodation Sales of Automobiles (B&O Tax)	82.04.422(2)	2001	\$3,575,000
10 Nonresidential Personal Property (Property Tax)	84.36.110(2)	1890	\$2,920,000
11 Trust Accounts (B&O Tax)	82.04.392	1997	\$1,355,000
12 Used Park-Model Trailers (Sales and Use Tax)	82.08.032; 82.12.032	2001	\$628,000
13 Nonprofit Educational Foundations (Property Tax)	84.36.050(2)	2001	\$417,000
14 Small Timber Harvesters (B&O Tax)	82.04.333	1990	\$400,000
15 Conifer Seedlings Sold Out-of-State (Sales and Use Tax)	82.08.850; 82.12.850	2001	\$28,000
16 Motorcycles Used for Rider Training (Sales and Use Tax)	82.08.870; 82.12.845	2001	\$24,000
17 Regional Transportation Authority Sales or Leasebacks (B&O Tax)	82.04.4201	2000	\$0
18 Natural Gas Purchases by DSI Industry (B&O Tax)	82.04.447	2001	\$0
19 Regional Transit Authority Sales and Leasebacks (Sales and Use Tax)	82.08.834; 82.12.834	2000	\$0
20 Natural Gas Purchased by DSI Customers (Use Tax)	82.12.024	2001	\$0
21 Electricity Purchased by DSI Industry (Public Utility Tax)	82.16.0495	2001	\$0
22 Regional Transportation Authority Sales or Leasebacks (Leasehold Excise Tax)	82.29A.134	2000	\$0
23 Minimum to File Tax Return (B&O Tax)	82.32.045(4)(a)(i)	1996	\$0
24 Vitrification Equipment (Property Tax)	84.36.590	2000	\$0
25 Regional Transportation Authority Sales or Leasebacks (Property Tax)	84.36.605	2000	\$0
26 Residential and Recreational Developments (Leasehold Excise Tax)	82.29A.136	2001	(\$253,000)
27 Grocery Co-Ops (Litter Tax)	82.19.050(3)	2001	Not disclosable

## 2016 (60 Total Preferences)

### 2016: Uncategorized (60 Preferences)

1 Minimum Taxable Threshold (Estate Tax)	83.100.020(13)	2005	\$801,609,000
2 Trade-Ins (Sales Tax)	82.08.010(1)(a)	1984	\$291,536,000
3 Marital Deduction (Estate Tax)	83.100.047	2005	\$261,433,000
4 Nonprofit Organization Government Grants (B&O Tax)	82.04.4297	1979	\$209,991,000
5 Custom Software (Sales and Use Tax)	82.04.050(6)(a)(i)-(ii)	1998	\$150,934,000
6 Data Center Equipment (Sales and Use Tax)	82.08.986; 82.12.986	2010	\$34,398,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2016 (Continued - 60 Total Preferences)</b>			
7 Bad Debts (Sales and Use Tax)	82.08.037; 82.12.037	1982	\$33,978,000
8 Timber and Wood Products (B&O Tax)	82.04.260(12)	2006	\$28,133,000
9 Royalty Income (B&O Tax)	82.04.2907	1998	\$26,921,000
10 Syrup Taxes Paid (B&O Tax)	82.04.4486	2006	\$17,051,000
11 Boarding Homes (B&O Tax)	82.04.2908; 82.04.4337	2004	\$15,425,000
12 Public Corporations (Property Tax)	35.21.755	1974	\$8,296,000
13 Customer-Generated Power (Public Utility Tax)	82.16.130	2005	\$4,078,000
14 Donations to Nonprofits and Government (Use Tax)	82.12.02595	1995	\$3,654,000
15 Self-Service Laundry Facilities (Sales and Use Tax)	82.04.050(2)(a)	1998	\$3,285,000
16 Electric Power Sold in Rural Areas (Public Utility Tax)	82.16.053	1994	\$2,600,000
17 Tribal (Property Tax)	84.36.010(1)	2004	\$2,466,000
18 Professional Employer Organization Wages (B&O Tax)	82.04.540	2006	\$2,084,000
19 RTA Maintenance Contracts (Sales and Use Tax)	82.04.050(13)	2005	\$2,072,000
20 Sellers with Limited Washington Connection (B&O Tax)	82.04.424	2003	\$1,894,000
21 Neighborhood Revitalization (Multiple Taxes)	82.73.030	2005	\$1,589,000
22 Fund-Raising Sales of Magazines (Sales Tax)	82.08.02535	1995	\$1,358,000
23 Food and Beverages Consumed On-Site (Litter Tax)	82.19.050(4)	2003	\$1,328,000
24 Camps for Disabled Persons (Leasehold Excise Tax)	82.29A.130(13)	1995	\$1,129,000
25 Computers for Publishers (Sales and Use Tax)	82.08.806; 82.12.806	2004	\$950,000
26 Legal Services to Low-Income Persons (B&O Tax)	82.04.635	2009	\$922,000
27 Standing Timber (Real Estate Excise Tax)	82.45.195	2007	\$896,000
28 Federal Small Business Innovation Grants (B&O Tax)	82.04.4261	2004	\$832,000
29 Salmon Habitat Restoration Grants (B&O Tax)	82.04.4339	2004	\$653,000
30 Direct Mail Delivery (Sales and Use Tax)	82.08.807; 82.12.807	2005	\$631,000
31 Parking and Business Improvement Areas (B&O Tax)	82.04.4267	2005	\$209,000
32 Housing for Youth in Crisis (Sales and Use Tax)	82.08.02915; 82.12.02915	1995	\$160,000
33 Nonprofit Boarding Homes (B&O Tax)	82.04.4264	2005	\$140,000
34 Child Care Resource and Referral (B&O Tax)	82.04.3395	1995	\$118,000
35 Amphitheater (Leasehold Excise Tax)	82.29A.130(18)	2005	\$102,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2016 (Continued - 60 Total Preferences)</b>			
36 Historic Property (Leasehold Excise Tax)	82.29A.130(17)	2005	\$88,000
37 Federal Small Business Technology Transfer Grants (B&O Tax)	82.04.4262	2004	\$80,000
38 Treating Chemical Dependency (B&O Tax)	82.04.2906	2003	\$70,000
39 Direct Mail Delivery (B&O Tax)	82.04.4272	2005	\$35,000
40 Veteran Widows and Widowers (Property Tax)	84.39.010	2005	\$32,000
41 Nonprofit Fundraising for Individual Artists (Property Tax)	84.36.650	2003	\$12,000
42 Catering (Litter Tax)	82.19.050(5)	2005	\$4,000
43 Semiconductor Materials Manufacturing After \$1 Billion Investment - Preferential Rate (B&O Tax)	82.04.240(2)	2003	\$0
44 Semiconductor Microchip Manufacturing After \$1 Billion Investment (B&O Tax)	82.04.426	2003	\$0
45 Semiconductor Materials Manufacturing After \$1 Billion Investment - New Jobs Credit (B&O Tax)	82.04.448	2003	\$0
46 Sellers with Limited Washington Connection (Sales and Use Tax)	82.08.050(11); 82.12.040(5)	2003	\$0
47 Electricity and Steam (Sales and Use Tax)	82.08.950; 82.12.950	2003	\$0
48 Semiconductor Materials Manufacturing After \$1 Billion Investment - Construction Costs (Sales and Use Tax)	82.08.965; 82.12.965	2003	\$0
49 Semiconductor Materials Manufacturing After \$1 Billion Investment - Gases and Chemicals (Sales and Use Tax)	82.08.970; 82.12.970	2003	\$0
50 Natural Gas Not Delivered via Pipeline (Use Tax)	82.12.022(3)	1994	\$0
51 Liquefied Gasses (Petroleum Products Tax)	82.23A.010(1)	2004	\$0
52 Semiconductor Materials Manufacturing After \$1 Billion Investment - Machinery and Equipment (Property Tax)	84.36.645	2003	\$0
53 Semiconductor Materials Manufacturing - Preferential Rate (B&O Tax)	82.04.2404	2006	Not disclosable
54 Nonprofit R&D (B&O)	82.04.260(3)	1965	Not in DOR Report
55 Grocery Distribution Co-Ops (B&O Tax)	82.04.298(2)	2001	Not disclosable
56 Tobacco Settlement Authority (B&O Tax)	82.04.311	2002	Not disclosable
57 Job Training Services (B&O Tax)	82.04.4333	1996	Not disclosable
58 Semiconductor Materials Manufacturing - Gases and Chemicals (Sales and Use Tax)	82.08.9651; 82.12.9651	2006	Not disclosable
59 Hazardous or Toxic Waste (Solid Waste Collection Tax)	82.18.010(3)	1986	Not in DOR Report
60 Recycling or Salvage Materials (Solid Waste Collection Tax)	82.18.010(3)	1986	Not in DOR Report



Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2017 (48 Total Preferences)</b>			
<i>2017: Uncategorized (48 Preferences)</i>			
1 Exported and Imported Fuel (Fuel Tax)	82.36.230; 82.38.030	1933	\$2,700,000,000
2 Motor Vehicle and Special Fuel (Sales and Use Tax)	82.08.0255(1)(f); 82.12.0256(2)(d)	1935	\$1,462,000,000
3 Nonprofit Churches, Parsonages, and Convents (Property Tax)	84.36.020	1854	\$130,700,000
4 Contributions and Donations (B&O Tax)	82.04.4282	1935	\$128,370,000
5 Cigarettes Covered by Indian Tribal Contracts (Tobacco Tax)	82.24.295(1)	2001	\$126,000,000
6 Nonprofit Hospitals (Property Tax)	84.36.040(1)(e)	1886	\$104,760,000
7 Motor Fuel Taxes (B&O Tax)	82.04.4285	1935	\$49,500,000
8 Nonsectarian Organizations (Property Tax)	84.36.030(1)	1915	\$35,100,000
9 Cigarettes Sold via Tribal Contracts (Sales and Use Tax)	82.08.0316; 82.12.0316	2001	\$22,200,000
10 Cemeteries (Property Tax)	84.36.020	1854	\$14,700,000
11 Nonhighway Fuel Use Refunds (Fuel Tax)	82.36.280; 82.38.180(1)	1923	\$8,200,000
12 Nonprofit Collections and Museums (Property Tax)	84.36.060(1)(a)	1915	\$6,520,000
13 Nonprofit Nursing Homes (Property Tax)	84.36.040(1)(d)	1891	\$5,890,000
14 Kidney Dialysis, Nursing Homes, and Hospice (B&O Tax)	82.04.4289	1945	\$5,700,000
15 Handling Losses (Fuel Tax)	82.36.029	1939	\$5,533,000
16 Growing Crops (Property Tax)	84.40.030(3)	1890	\$5,450,000
17 Billing Discounts (Public Utility Tax)	82.16.0497	2001	\$5,000,000
18 Horse Racing (B&O Tax)	82.04.350	1935	\$4,440,000
19 Membership Dues and Fees (B&O Tax)	82.04.4282	1935	\$4,380,000
20 Nonprofit Youth Organizations (Property Tax)	84.36.030(3)	1933	\$4,020,000
21 Exported Fuel Refunds (Fuel Tax)	82.36.300; 82.38.180(2)	1923	\$3,300,000
22 Electricity for Electrolyte Firms (Public Utility Tax)	82.16.0421	2009	\$1,560,000
23 Nonprofit Water Cooperatives (Property Tax)	84.36.250	1965	\$1,491,000
24 Veterans Organizations (Property Tax)	84.36.030(4)	1929	\$1,180,000
25 Public Transit Charges (Public Utility Tax)	82.16.050(14)	2006	\$820,000
26 Sand and Gravel for Local Road Construction (B&O Tax)	82.04.415	1965	\$421,000
27 Accommodation Sales (B&O Tax)	82.04.425	1955	\$385,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2017 (Continued - 48 Total Preferences)</b>			
28 Humane Societies (Property Tax)	84.36.060(1)(d)	1915	\$350,000
29 Canned Salmon Services (B&O Tax)	82.04.260(13)	2006	\$326,000
30 Nonprofit Orphanages (Property Tax)	84.36.040(1)(c)	1891	\$299,000
31 Driver Training Vehicles (Use Tax)	82.12.0264	1955	\$240,000
32 Credit Unions - State Chartered (Use Tax)	82.12.860	2006	\$138,000
33 Nonprofit Libraries (Property Tax)	84.36.040(1)(b)	1854	\$75,000
34 Workforce Training (B&O Tax)	82.04.449	2006	\$66,000
35 Boxing and Wrestling Matches (B&O Tax)	82.04.340	1935	\$41,000
36 Watershed and Flood Protection (Sales and Use Tax)	82.08.0271; 82.12.930	1963	\$14,000
37 Nonprofit Fire Companies (Property Tax)	84.36.060(1)(c)	1890	\$12,000
38 Truck Auxiliary Power - Batteries and Infrastructure (Sales and Use Tax)	82.08.815; 82.12.815	2006	\$2,000
39 Nonprofit Convention and Tourism Promotion (B&O Tax)	82.04.4251	2006	\$0
40 Truck Auxiliary Power (B&O Tax)	82.04.4338	2006	\$0
41 Purchases by Residents of Alaska and Hawaii (Sales Tax)	82.08.0269	1961	\$0
42 Form Lumber (Sales and Use Tax)	82.08.0274; 82.12.0268	1965	\$0
43 Truck Auxiliary Power - Enabling Parked Operation (Sales and Use Tax)	82.08.825; 82.12.825	2006	\$0
44 Solar Hot Water Equipment (Sales and Use Tax)	82.08.835; 82.12.835	2006	\$0
45 Lost or Destroyed Fuel (Fuel Tax)	82.36.370; 82.38.180(4)-(6)	1923	\$0
46 Ships Under Construction (Property Tax)	84.36.079	1959	\$0
47 Historic Auto Museums (Sales and Use Tax)	82.32.580	2005	(\$1,760,000)
48 Goods in Transit (Property Tax)	84.36.300	1961	Not separately stated

## 2018 (39 Total Preferences)

### 2018: Uncategorized (39 Preferences)

1 Intangibles (Property Tax)	84.36.070	1931	\$24,929,600,000
2 Insurance Premiums (B&O Tax)	82.04.320	1935	\$836,200,000
3 Real Estate Sales (B&O Tax)	82.04.390	1935	\$638,951,000
4 Items Used in Interstate Commerce (Sales Tax)	82.08.0261	1949	\$443,000,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2018 (Continued - 39 Total Preferences)</b>			
5 Import and Export Commerce (B&O Tax)	82.04.610	2007	\$274,490,000
6 Public Utilities (B&O Tax)	82.04.310(1)	1935	\$113,200,000
7 Nonprofit Private Colleges (Property Tax)	84.36.050(1)	1925	\$75,800,000
8 Tobacco Sales to U.S. or Indian Tribes (Tobacco Tax)	82.26.110	2007	\$67,132,000
9 Agricultural Products (B&O Tax)	82.04.330; 82.04.410	1935	\$65,800,000
10 Nonprofit Private K-12 Schools (Property Tax)	84.36.050(1)	1925	\$48,100,000
11 Other Ships and Vessels (Property Tax)	84.36.090	1931	\$30,500,000
12 Bad Debts (B&O Tax)	82.04.4284	1935	\$20,700,000
13 Commercial Vessels (Property Tax)	84.36.080(1)	1931	\$19,000,000
14 Urban Transportation (Public Utility Tax)	82.16.020(1)(d)-(e)	1935	\$17,200,000
15 Rural County Deferral (Sales and Use Tax)	82.60.040; 82.60.049	1985	\$10,484,000
16 Sales for Resale (Public Utility Tax)	82.16.050(2)	1935	\$5,200,000
17 Radio and TV Broadcasting (B&O Tax)	82.04.280(1)(f)	1935	\$4,900,000
18 Fraternal Insurance (B&O Tax)	82.04.370	1935	\$4,200,000
19 Farm Auction Sales (Sales and Use Tax)	82.08.0257; 82.12.0258	1943	\$4,100,000
20 Bad Debts (Public Utility Tax)	82.16.050(5)	1935	\$3,640,000
21 Processing Horticultural Products (B&O Tax)	82.04.4287	1935	\$3,500,000
22 Minimum Income Threshold (Public Utility Tax)	82.16.040	1935	\$2,600,000
23 Irrigation Water (Public Utility Tax)	82.16.050(7)	1935	\$2,500,000
24 Fraternal Benefit Societies (Insurance Premiums Tax)	48.36A.010; 48.36A.240	1911	\$2,200,000
25 Public Utility Operating Property (Sales and Use Tax)	82.08.0256; 82.12.0257	1935	\$525,000
26 Digital Goods and Services for Multiple Points of Use (Sales and Use Tax)	82.08.02088; 82.12.02088	2009	\$274,000
27 Public Development Authorities (B&O Tax)	82.04.615	2007	\$53,000
28 Amateur Radio Repeaters (Leasehold Excise Tax)	82.29A.138	2007	\$18,000
29 Cigarette Stamping (B&O Tax)	82.04.601	2007	\$8,000
30 Public Authority Sales (Sales and Use Tax)	82.08.995; 82.12.995	2007	\$6,000
31 Electric Vehicle Battery Charging Stations (Sales and Use Tax)	82.08.816; 82.12.816	2009	\$0
32 Import and Export Commerce (Sales Tax)	82.08.990	2007	\$0
33 Electric Vehicle Infrastructure (Leasehold Excise Tax)	82.29A.125	2009	\$0

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2018 (Continued - 39 Total Preferences)</b>			
34 Sales Tax Sourcing Costs (Multiple Taxes)	82.32.760(1)(b)	2007	\$0
35 Aircraft for Air Ambulances (Multiple Taxes)	82.48.100(7); 84.36.575	2010	\$0
36 Corporate Headquarters (Sales and Use Tax)	82.82.020	2008	\$0
37 Quinault Tribal Tax (Timber Tax)	84.33.0776	2007	\$0
38 Airports Owned by Cities in Other States (Property Tax)	84.36.130	1941	\$0
39 Standing Timber (B&O Tax)	82.04.334	2007	Not known

## 2019 (30 Total Preferences)

### 2019: Uncategorized (30 Preferences)

1 Income of Employees (B&O Tax)	82.04.360	1935	\$4,910,000,000
2 Investments by Nonfinancial Firms (B&O Tax)	82.04.4281(1)(a)	1935	\$577,800,000
3 Feed and Seed (Sales and Use Tax)	82.04.050(11)	1935	\$144,000,000
4 Janitorial Services (Sales and Use Tax)	82.04.050(2)(d)	1935	\$96,800,000
5 Cash Discounts (Multiple Taxes)	82.04.4283; 82.08.010; 82.16.050(4)	1935	\$90,200,000
6 Route 520 Replacement Bridge (Sales and Use Tax)	47.01.412	2008	\$71,037,000
7 Casual Sales (Sales Tax)	82.08.0251	1935	\$65,100,000
8 Tuition and Fees (B&O Tax)	82.04.4282(5); 82.04.4332	1935	\$40,200,000
9 Audio or Video Programming (Sales and Use Tax)	82.08.02081; 82.12.02081	2009	\$24,921,000
10 Newspapers (Sales and Use Tax)	82.08.0253; 82.12.0345; 82.08.0253(1)(b)	1935	\$24,800,000
11 General Aviation (Property Tax)	82.48.110	1949	\$22,200,000
12 Joint Utility Services (Public Utility Tax)	82.16.050(3)	1935	\$20,000,000
13 Digital Goods and Services for Business Purposes (Sales and Use Tax)	82.08.02087; 82.12.02087	2009	\$6,429,000
14 Ocean Marine Insurance (Insurance Premiums Tax)	48.11.050; 48.11.105; 48.14.020(3)	1947	\$4,900,000
15 Standard Digital Information (Sales and Use Tax)	82.08.705; 82.12.705	2009	\$4,226,000
16 Newspapers (B&O Tax)	82.04.260(14)	2009	\$1,421,000
17 Municipal Utilities (Public Utility Tax)	82.16.050(1)	1935	\$1,400,000
18 Military Housing (Property Tax)	82.29A.130(19); 84.36.665	2008	\$1,020,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2019 (Continued - 30 Total Preferences)</b>			
19 Weatherization Assistance Program (Sales and Use Tax)	82.08.998; 82.12.998	2008	\$930,000
20 Flour and Oil Manufacturing (B&O Tax)	82.04.260(1)(a)	1949	\$832,000
21 Temporary Medical Housing (Sales Tax)	82.08.997	2008	\$596,000
22 Nonprofit Fairs (Property Tax)	84.36.480	1975	\$201,000
23 Nonprofit Races (Parimutuel Tax)	67.16.105(1)	1979	\$30,000
24 Trail Grooming (Sales Tax)	82.08.0203	2008	\$22,000
25 Aircraft Held for Sale (Aircraft Excise Tax)	82.48.100(5)	1955	\$16,000
26 Nonresident Aircraft (Aircraft Excise Tax)	82.48.100(3)	1949	\$2,000
27 Biodiesel and Waste Vegetable Oil (Sales and Use Tax)	82.08.0205; 82.12.0205	2008	\$0
28 Commercial Aircraft (Aircraft Excise Tax)	82.48.100(4)	1949	(\$19,200,000)
29 Radioactive Waste Cleanup (B&O Tax)	82.04.263	2009	Not in DOR Report
30 Active Duty Military Penalty Waiver (Multiple Taxes)	82.32.055	2008	Not disclosable

## 2020 (49 Total Preferences)

### 2020: Uncategorized (49 Preferences)

1 Nonresidents' Personal Property (Use Tax)	82.04.425	1935	\$8,548,000,000
2 Interstate Transportation Equipment (Sales Tax)	82.08.0262	1949	\$5,772,500,000
3 Vehicles Used in Interstate Commerce (Use Tax)	82.12.0254	1937	\$1,094,800,000
4 Vehicles in Interstate Commerce (Sales Tax)	82.08.0263	1949	\$220,300,000
5 Fertilizer and Chemical Sprays (Sales and Use Tax)	82.04.050(11)	1943	\$166,600,000
6 Labor and Services Used to Construct and Repair Public Roads (Sales and Use Tax)	82.04.050(10)	1943	\$128,100,000
7 Vehicles Sold to Nonresidents (Sales Tax)	82.08.0264	1935	\$68,700,000
8 Interstate Transportation - In-State Portion (Public Utility Tax)	82.16.050(6)	1935	\$59,700,000
9 Interstate Transportation - Through Freight (Public Utility Tax)	82.16.050(8)	1937	\$32,200,000
10 Breeding Livestock, Cattle, and Milk Cows (Sales and Use Tax)	82.08.0259; 82.12.0261	1945	\$19,792,000
11 Shipments to Ports (Public Utility Tax)	82.16.050(9)	1937	\$15,200,000
12 Bailed Tangible Personal Property for R&D (Use Tax)	82.12.0265	1961	\$10,500,000
13 Farm Machinery Sold to Nonresidents (Sales Tax)	82.08.0268	1961	\$9,900,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2020 (Continued - 49 Total Preferences)</b>			
14 Vehicles Acquired While in Military Service (Use Tax)	82.12.0266	1963	\$7,812,000
15 Interest on Agricultural Loans (B&O Tax)	82.04.4294	1970	\$7,553,000
16 Title Insurance Premiums (Insurance Premiums Tax)	48.14.020	1947	\$6,060,000
17 Sand and Gravel for Local Road Construction (Sales and Use Tax)	82.08.0275; 82.12.0269	1965	\$4,174,000
18 Nonprofit Conservation and Open Space Lands (Property Tax)	84.36.260; 84.34.220	1967	\$3,909,000
19 Financial Institution Investment Conduit or Securitization Entity Income (B&O Tax)	82.04.650; 82.04.080(2)	2010	\$3,814,000
20 Nonprofit Sheltered Workshops (B&O Tax)	82.04.385	1970	\$3,400,000
21 Ride Sharing Vehicles (Sales and Use Tax)	82.08.0287; 82.12.0282	1980	\$3,120,000
22 Pollution Control Facilities (Multiple Taxes)	82.34.050(2); 82.34.060(2)	1967	\$3,000,000
23 Agricultural Products (Litter Tax)	82.19.050(2)	1971	\$1,964,000
24 Home Improvements (Property Tax)	84.36.400	1972	\$1,938,000
25 Forest Land Compensating Tax (Property Tax)	84.33.140(13)-(14)	1971	\$1,932,000
26 METRO Transit Planning (Public Utility Tax)	35.58.560	1967	\$1,808,000
27 Certified Aircraft Repair Firms (B&O Tax)	82.04.250(3)	2003	\$1,649,000
28 Nursery Stock (Property Tax)	84.40.220	1971	\$1,521,000
29 Agricultural Fairs (B&O Tax)	82.04.335	1965	\$1,348,000
30 Ride Sharing and Special Needs Transportation (Public Utility Tax)	82.16.047	1979	\$928,000
31 Urban Transportation (Fuel Tax)	82.36.275; 82.38.080	1957	\$884,000
32 Christmas Trees and Cottonwoods (Timber Tax)	84.33.170	1971	\$652,000
33 Semen for Artificial Insemination (Sales and Use Tax)	82.08.0272; 82.12.0267	1965	\$648,000
34 Destroyed Property (Property Tax)	84.70.010	1974	\$481,000
35 Poultry Used in Production (Sales and Use Tax)	82.08.0267; 82.12.0262	1961	\$462,000
36 Dried Pea Processors (B&O Tax)	82.04.260(2)	1967	\$447,000
37 Returnable Containers (Sales and Use Tax)	82.08.0282; 82.12.0276	1974	\$293,000
38 Pollen (Sales and Use Tax)	82.08.0277; 82.12.0273	1967	\$56,000
39 Printing by Local Governments (B&O Tax)	82.04.397	1979	\$22,000
40 Foreign Government Purchases (Fuel Tax)	82.36.245	1967	\$8,000
41 Ride Sharing and Special Needs Transportation (B&O Tax)	82.04.355	1979	\$0
42 Financial Institution Affiliate Income (B&O Tax)	82.04.645; 82.04.080(2)	2010	\$0

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2020 (Continued - 49 Total Preferences)</b>			
43 Annexation Sales (Sales and Use Tax)	82.08.0278; 82.12.0274	1970	\$0
44 Timber (Property Tax)	84.33.040	1971	\$0
45 Seafood Processing (B&O Tax)	82.04.120	1975	Not disclosable
46 Services Performed Between Local Governments (B&O Tax)	82.04.4291	1970	Not separately stated
47 Financial Institution Commercial Aircraft Loan Interest and Fees (B&O Tax)	82.04.43391; 82.04.080(2)	2010	Not disclosable
48 Special Fuel (Sales and Use Tax)	82.08.0255(2); 82.12.0256(1)	1983	Not separately stated
49 Community Centers (Property Tax)	84.36.010(1)	2010	Not in DOR Report

## 2021 (63 Total Preferences)

### 2021: Uncategorized (63 Preferences)

1 Real Estate Excise Tax Exemptions (Real Estate Excise Tax)	82.45.010(3)	1951	\$1,356,200,000
2 Export and Commercial Uses (Aircraft Fuel Tax)	82.42.030; 82.42.070	1967	\$299,900,000
3 Extracted Fuel (Use Tax)	82.12.0263	1949	\$69,200,000
4 Credit Unions - State Chartered (B&O Tax)	82.04.405	1970	\$60,900,000
5 Sales to Nonresidents from No or Low Sales Tax States (Sales Tax)	82.08.0273	1965	\$58,000,000
6 Renewable Energy Machinery (Sales and Use Tax)	82.08.962; 82.12.962	2009	\$40,800,000
7 Shared Real Estate Commissions (B&O Tax)	82.04.255	1970	\$36,000,000
8 Meat Processors (B&O Tax)	82.04.260(4)	1967	\$30,500,000
9 International Banking Facilities (B&O Tax)	82.04.315	1982	\$29,990,000
10 Interstate Bridges (Property Tax)	84.36.230	1949	\$29,100,000
11 Imported Frozen or Packaged Fish (Enhanced Food Fish Tax)	82.27.030(1),(3)	1980	\$20,815,000
12 Nonprofit Day Care Centers (Property Tax)	84.36.040(1)(a)	1973	\$15,750,000
13 Investment of Businesses in Related Entities (B&O Tax)	82.04.4281(1)(b),(c)	1970	\$14,400,000
14 Boats Sold to Nonresidents (Sales Tax)	82.08.0266; 82.08.02665	1959	\$13,800,000
15 Fuel for State or County Ferries (Sales and Use Tax)	82.08.0255(1)(d)-(e); 82.12.0256(2)(e)-(f)	2011	\$11,203,000
16 Public Institution R&D Machinery and Equipment (Sales and Use Tax)	82.08.025651; 82.12.025651	2011	\$9,370,000
17 Laundry Services for Nonprofit Health Care Facilities (Sales and Use Tax)	82.04.050(2)(a)	1973	\$8,800,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2021 (Continued - 63 Total Preferences)</b>			
18 Restaurant Employee Meals (Sales and Use Tax)	82.08.9995; 82.12.9995	2011	\$7,468,000
19 Nonprofit Church Camps (Property Tax)	84.36.030(2)	1971	\$6,878,000
20 Nonprofit Blood and Tissue Banks (Property Tax)	84.36.035	1971	\$6,090,000
21 Display Items for Trade Shows (Use Tax)	82.12.0272	1971	\$4,984,000
22 Nonprofit Sheltered Workshops (Property Tax)	84.36.350	1970	\$4,438,000
23 Open Space Land Classification Removal (Property Tax)	84.34.108(6)	1973	\$3,880,000
24 Hog Fuel to Produce Energy (Sales and Use Tax)	82.08.956; 82.12.956	2009	\$3,237,000
25 Municipal Sewer Service Payments (B&O Tax)	82.04.432	1967	\$3,000,000
26 Solar Energy Machinery and Equipment (Sales and Use Tax)	82.08.963; 82.12.963	2009	\$2,948,000
27 Child Welfare Services (B&O Tax)	82.04.4275	2011	\$1,979,000
28 Church Offices (Property Tax)	84.36.032	1975	\$1,875,000
29 Interest from State and Municipal Obligations (B&O Tax)	82.04.4293	1970	\$1,760,000
30 Nonprofit Public Assembly Halls and Meeting Places (Property Tax)	84.36.037	1981	\$1,388,000
31 Property Management Personnel Payments (B&O Tax)	82.04.4274	2011	\$1,342,000
32 Boats Sold to Nonresidents (Sales and Use Tax)	82.08.700; 82.12.700	2007	\$1,153,000
33 Easements for Removing Products (Leasehold Excise Tax)	82.29A.020(1)	1975	\$1,059,000
34 Sales or Use Tax Paid in Another State (Use Tax)	82.12.035	1967	\$1,000,000
35 Public Historical Sites (Leasehold Excise Tax)	35.21.755	1977	\$997,000
36 Log Transportation (Public Utility Tax)	82.16.020(1)(h)	2009	\$971,000
37 Tax Paid in Other States (Enhanced Food Fish Tax)	82.27.040	1980	\$852,000
38 Nonprofit Youth Organization Fees and Dues (B&O Tax)	82.04.4271	1981	\$799,000
39 Product Leases (Leasehold Excise Tax)	82.29A.120(2)	1976	\$744,000
40 Nonprofit Water Associations (Public Utility Tax)	82.16.050(12)	1977	\$720,000
41 Public Employee Housing (Leasehold Excise Tax)	82.29A.130(5)	1976	\$483,000
42 Restaurant Employee Meals (B&O Tax)	82.04.750	2011	\$395,000
43 Transportation of Persons with Special Needs (Fuel Tax)	82.36.285; 82.38.080(1)(h)	1983	\$362,000
44 Nonresidents' Rental Cars (Sales Tax)	82.08.0279	1980	\$350,000
45 Limited Income Homeowners (Property Tax)	84.37.030	2007	\$271,000
46 Homes Pending Destruction (Leasehold Excise Tax)	82.29A.130(10)	1976	\$194,000



Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2021 (Continued - 63 Total Preferences)</b>			
47 Public Works Contracts (Leasehold Excise Tax)	82.29A.130(11)	1976	\$164,000
48 Ride Sharing Vehicles (Motor Vehicle Excise Tax)	82.44.015	1980	\$148,000
49 Honey Beekeepers (Sales and Use Tax)	82.08.0204; 82.12.0204	2008	\$94,000
50 Printing by Schools (B&O Tax)	82.04.395	1979	\$88,000
51 Honey Beekeepers (B&O Tax)	82.04.629; 82.04.630	2008	\$86,000
52 Funeral Home Reimbursement (B&O Tax)	82.04.4296	1979	\$49,000
53 Printing by Libraries (B&O Tax)	82.04.600	1979	\$14,000
54 Nonprofit Youth Organizations (Timber Tax)	84.33.075	1980	\$6,000
55 Repaired Items Delivered Out-of-State (Sales Tax)	82.08.0265	1959	\$0
56 Nonprofit Radio and TV Broadcast Facilities (Property Tax)	84.36.047	1977	\$0
57 Public Property Leaseholds (Property Tax)	84.36.451	1976	(\$33,394,000)
58 Housing Finance Commission (B&O Tax)	82.04.408	1983	Not disclosable
59 Grants to Local Government (B&O Tax)	82.04.418	1983	Not separately stated
60 Fuel For Transporting Persons with Special Needs (Sales and Use Tax)	82.08.0255(1)(b); 82.12.0256(2)(b)	1983	Not in DOR Report
61 Biomass to Produce Electricity (Sales and Use Tax)	82.08.957; 82.12.957	2009	Not separately stated
62 Cogeneration Facilities and Renewable Resources (Public Utility Tax)	82.16.055	1980	Not disclosable
63 Crop Dusting (Aircraft Fuel Tax)	82.42.020	1982	Not tracked by DOL

## 2022 (60 Total Preferences)

### 2022: Uncategorized (60 Preferences)

1 Business Inventories (Property Tax)	84.36.477; 84.36.510	1974	\$1,370,560,000
2 Natural and Manufactured Gas (Sales and Use Tax)	82.08.026; 82.12.023; 82.14.030(1)	1989	\$193,700,000
3 Annuities (Insurance Premiums Tax)	48.14.020(1)	1979	\$188,700,000
4 Hazardous Substance Exemptions (Hazardous Substance Tax)	82.21.040	1989	\$167,177,000
5 High Technology R&D (Sales and Use Tax)	82.63.010; 82.63.030	1994	\$62,200,000
6 High Technology R&D (B&O Tax)	82.04.4452	1994	\$54,200,000
7 Subsidized Housing (Leasehold Excise Tax)	82.29A.130(3)	1976	\$43,487,000
8 Precious Metals and Bullion (Sales and Use Tax)	82.04.062	1985	\$39,150,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2022 (Continued - 60 Total Preferences)</b>			
9 Special Fuel Use Exemptions (Fuel Tax)	82.38.080	1971	\$36,357,000
10 Insurance Producers, Title Insurance Agents, and Surplus Line Brokers (B&O Tax)	82.04.260(9)	1983	\$35,600,000
11 Ferry Boats (Sales and Use Tax)	82.08.0285; 82.12.0279	1977	\$26,089,000
12 Urban Passenger Transit Fuel (Sales and Use Tax)	82.08.0255(1)(a),(c); 82.12.0256(2)(a),(c)	1980	\$22,046,000
13 Condominium and Homeowner Maintenance Fees (B&O Tax)	82.04.4298	1979	\$19,950,000
14 Stevedoring (B&O Tax)	82.04.260(7)	1979	\$17,922,000
15 Federal Government Structure Labor (Sales and Use Tax)	82.04.050(12)	1975	\$12,265,000
16 Travel Agents and Tour Operators (B&O Tax)	82.04.260(5)	1975	\$10,200,000
17 International Charter and Freight Brokers (B&O Tax)	82.04.260(6)	1979	\$8,506,000
18 Fish Tax Differential Rates (Enhanced Food Fish Tax)	82.27.020(4)	1980	\$7,502,000
19 Commuting Programs (Multiple Taxes)	82.70.020	2003	\$5,700,000
20 Leases Under \$250 per Year and Short Term Leases (Leasehold Excise Tax)	82.29A.130(8)-(9)	1976	\$5,572,000
21 Precious Metals and Bullion (B&O Tax)	82.04.062	1985	\$3,066,000
22 Solar Energy and Silicon Product Manufacturers (B&O Tax)	82.04.294	2005	\$3,050,000
23 Cargo Containers (Property Tax)	84.36.105	1975	\$2,901,000
24 Health Insurance by State Pool (Insurance Premiums Tax)	48.14.022	1987	\$2,900,000
25 Manufacturing for Government (Leasehold Excise Tax)	82.29A.020(1)	1976	\$1,839,000
26 Life Insurance Sales Employees (B&O Tax)	82.04.360(1)	1991	\$1,581,000
27 Biotechnology Manufacturing (Sales and Use Tax)	82.75.010; 82.75.030	2006	\$1,409,000
28 Adult Family Homes (B&O Tax)	82.04.327	1987	\$962,000
29 Excess Tax Credit (Leasehold Excise Tax)	82.29A.120(1)	1986	\$637,000
30 Insurance Guaranty Funds (Insurance Premiums Tax)	48.32.130; 48.32.145; 48.32A.125	1976	\$480,000
31 Used Floating Homes (Sales and Use Tax)	82.08.034; 82.12.034	1984	\$334,000
32 Historic Vessels (Property Tax)	84.36.080(2)	1986	\$333,000
33 Computers Donated to Schools (Use Tax)	82.12.0284	1983	\$192,000
34 Returned Motor Vehicles (Sales Tax)	82.32.065	1987	\$90,000
35 Lodging for Homeless People (Sales Tax)	82.08.0299	1988	\$68,000
36 Dispute Resolution Services (B&O Tax)	2012 c 249 § 1	2012	\$16,000

Brief Description	RCW	Enacted	Biennial Beneficiary Savings
<b>2022 (Continued - 60 Total Preferences)</b>			
37 Timber Tax Minimum (Timber Tax)	84.33.086	1984	\$8,000
38 Student Loan Organizations (B&O Tax)	82.04.367	1987	\$0
39 Minor Final Assembly Completed in Washington (B&O Tax)	82.04.4295	1977	\$0
40 Health Insurance Claims (B&O Tax)	82.04.4331	1988	\$0
41 Crude Oil (Petroleum Products Tax)	82.23A.010(1)	1989	\$0
42 Successive Use (Petroleum Products Tax)	82.23A.030(1)	1989	\$0
43 Domestic Use (Petroleum Products Tax)	82.23A.030(2)	1989	\$0
44 Fuel Used Before Tax Imposed (Petroleum Products Tax)	82.23A.030(4)	1989	\$0
45 Fuel Used to Process Petroleum Products (Petroleum Products Tax)	82.23A.030(5)	1989	\$0
46 Exported Petroleum Products (Petroleum Products Tax)	82.23A.030(6)	1989	\$0
47 Packaged Petroleum Products (Petroleum Products Tax)	82.23A.030(7)	1989	\$0
48 Fuel Exported in Fuel Tanks (Petroleum Products Tax)	82.23A.040(1)	1989	\$0
49 Syrup Previously Taxed (Syrup Tax)	82.64.030(1)	1989	\$0
50 Syrup Exported (Syrup Tax)	82.64.030(2)	1989	\$0
51 Trademarked Syrup (Syrup Tax)	82.64.030(3)	1991	\$0
52 Syrup Purchased Before Tax Imposed (Syrup Tax)	82.64.030(4)	1989	\$0
53 Public Timber (Timber Tax)	84.33.077	1983	\$0
54 Student Loan Organizations (Property Tax)	84.36.030(6)	1987	\$0
55 Conservation Futures (Property Tax)	84.36.500	1984	\$0
56 Delinquency Penalty and Interest Waivers (Property Tax)	84.56.025	1984	\$0
57 Ferrosilicon (Sales and Use Tax)	82.04.050(1)(a)(iv); 82.04.190(1)(d)	1986	Not disclosable
58 Publicly Owned Cargo Cranes and Docks (Leasehold Excise Tax)	82.29A.020(1)	2012	Not in DOR Report
59 Nonprofit Youth Character Building Leases (Property Tax)	84.36.031(2)	2012	Not in DOR Report
60 Personal Property Tax Penalty Waiver (Property Tax)	84.40.130(3)	2012	Not in DOR Report

**Total Preferences Scheduled for Review: 552**