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**SENATE BILL 5979**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senator Honeyford

1 AN ACT Relating to providing a sales and use tax deferral for the  
2 construction of facilities used for mushroom farming; and adding a  
3 new section to chapter 82.32 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.32  
6 RCW to read as follows:

7 (1) A person may apply for deferral of taxes on the construction  
8 of buildings, site preparation, and the acquisition of related  
9 machinery and equipment used for the purpose of mushroom farming.  
10 Application must be made to the department in a form and manner  
11 prescribed by the department. The application must contain  
12 information regarding the location of the mushroom farm, estimated or  
13 actual costs, time schedules for completion and operation, and other  
14 information required by the department. The department must approve  
15 the application within sixty days if it meets the requirements of  
16 this section.

17 (2) The department must issue a sales and use tax deferral  
18 certificate for state and local sales and use taxes due under  
19 chapters 82.08, 82.12, and 82.14 RCW on the construction of  
20 buildings, site preparation, and the acquisition of related machinery  
21 and equipment used for the purpose of mushroom farming.

1           (3) The person must begin paying the deferred taxes in the fifth  
2 year after the date certified by the department as the date on which  
3 the mushroom farm is operationally complete. The first payment is due  
4 on December 31st of the fifth calendar year after such certified  
5 date, with subsequent annual payments due on December 31st of the  
6 following nine years. Each payment must equal ten percent of the  
7 deferred tax.

8           (4) The department may authorize an accelerated repayment  
9 schedule upon request of the person.

10          (5) Interest may not be charged on any taxes deferred under this  
11 section for the period of deferral, although all other penalties and  
12 interest applicable to delinquent excise taxes may be assessed and  
13 imposed for delinquent payments under this section. The debt for  
14 deferred taxes is not extinguished by insolvency or other failure of  
15 the person claiming a sales and use tax deferral under this section.

16          (6) Applications and any other information received by the  
17 department under this section are not confidential and are subject to  
18 disclosure.

19          (7) This chapter applies to the administration of this section.

20          (8) A person may apply for a deferral of taxes under this section  
21 for only one location.

22          (9) This section is exempt from the provisions of RCW 82.32.805  
23 and 82.32.808.

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