
SENATE BILL 6318

State of Washington

66th Legislature

2020 Regular Session

By Senator Liiias; by request of Office of the Governor

1 AN ACT Relating to extending the electric marine battery
2 incentive; amending RCW 82.08.996 and 82.12.996; amending 2019 c 287
3 s 20 (uncodified); providing an effective date; and providing
4 expiration dates.

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

6 **Sec. 1.** RCW 82.08.996 and 2019 c 287 s 21 are each amended to
7 read as follows:

8 (1) The tax imposed by RCW 82.08.020 does not apply to:

9 (a) The sale of new battery-powered electric marine propulsion
10 systems with continuous power greater than fifteen kilowatts.

11 (b) The sale of new vessels equipped with propulsion systems that
12 qualify under (a) of this subsection.

13 (2) Sellers may make tax exempt sales under this section only if
14 the buyer provides the seller with an exemption certificate in a form
15 and manner prescribed by the department. The seller must retain a
16 copy of the certificate for the seller's files.

17 (3) On the last day of January, April, July, and October of each
18 year, the state treasurer, based upon information provided by the
19 department, must transfer from the multimodal transportation account
20 to the general fund a sum equal to the dollar amount that would
21 otherwise have been deposited into the general fund during the prior

1 calendar quarter but for the exemption provided in this section.
2 Information provided by the department to the state treasurer must be
3 based on the best available data, except that the department may
4 provide estimates of taxes exempted under this section until such
5 time as retailers are able to report such exempted amounts on their
6 tax returns.

7 (4) For the purposes of this section:

8 (a) "Battery-powered electric marine propulsion system" means a
9 fully electric outboard or inboard motor used by vessels, the sole
10 source of propulsive power of which is the energy stored in the
11 battery packs. The term includes required accessories, such as
12 throttles, displays, and battery packs; and

13 (b) "Vessel" includes every watercraft, other than a seaplane,
14 used or capable of being used as a means of transportation on the
15 water.

16 (5) This section expires July 1, (~~2025~~) 2035.

17 **Sec. 2.** RCW 82.12.996 and 2019 c 287 s 22 are each amended to
18 read as follows:

19 (1) The tax imposed by RCW 82.12.020 does not apply to the use
20 of:

21 (a) New battery-powered electric marine propulsion systems with
22 continuous power greater than fifteen kilowatts; and

23 (b) New vessels equipped with propulsion systems that qualify
24 under (a) of this subsection.

25 (2) Sellers may make tax exempt sales under this section only if
26 the buyer provides the seller with an exemption certificate in a form
27 and manner prescribed by the department. The seller must retain a
28 copy of the certificate for the seller's files.

29 (3) On the last day of January, April, July, and October of each
30 year, the state treasurer, based upon information provided by the
31 department, must transfer from the multimodal transportation account
32 to the general fund a sum equal to the dollar amount that would
33 otherwise have been deposited into the general fund during the prior
34 calendar quarter but for the exemption provided in this section.
35 Information provided by the department to the state treasurer must be
36 based on the best available data, except that the department may
37 provide estimates of taxes exempted under this section until such
38 time as retailers are able to report such exempted amounts on their
39 tax returns.

1 (4) For the purposes of this section, "battery-powered electric
2 marine propulsion system" and "vessel" have the same meanings as
3 provided in (~~section 22 of this act~~) RCW 82.08.996.

4 (5) This section expires July 1, (~~2025~~) 2035.

5 **Sec. 3.** 2019 c 287 s 20 (uncodified) is amended to read as
6 follows:

7 This section is the tax preference performance statement for the
8 tax preferences contained in sections 1 and 2, chapter . . ., Laws of
9 2020 (sections 1 and 2 of this act) and sections 21 and 22, chapter
10 287, Laws of 2019. The performance statement is only intended to be
11 used for subsequent evaluation of the tax preference. It is not
12 intended to create a private right of action by any party or be used
13 to determine eligibility for preferential tax treatment.

14 (1) The legislature categorizes the tax preferences as ones
15 intended to induce certain designated behavior by taxpayers, as
16 indicated in RCW 82.32.808(2) (a).

17 (2) It is the legislature's specific public policy objective to
18 increase the use of electric vessels in Washington. It is the
19 legislature's intent to establish a sales and use tax exemption on
20 certain electric vessels in order to reduce the price charged to
21 customers for electric vessels.

22 (3) To measure the effectiveness of the tax preferences in
23 sections 1 and 2, chapter . . ., Laws of 2020 (sections 1 and 2 of
24 this act) and sections 21 and 22, chapter 287, Laws of 2019 in
25 achieving the public policy objectives described in subsection (2) of
26 this section, the joint legislative audit and review committee must
27 evaluate the number of electric vessels titled in the state.

28 (4) In order to obtain the data necessary to perform the review
29 in subsection (3) of this section, the department of licensing and
30 the department of revenue must provide data needed for the joint
31 legislative audit and review committee analysis. In addition to the
32 data source described under this subsection, the joint legislative
33 audit and review committee may use any other data it deems necessary.

34 NEW SECTION. **Sec. 4.** This act takes effect July 1, 2020.

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