WA State Renewable Energy Sales and Use Tax Exemption

Last DSIRE Review: 05/12/2010
http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=WA04F&re=1&ee=0

State:	Washington
Incentive Type:	Sales Tax Incentive
Eligible Renewable/Other Technologies:	Solar Water Heat, Photovoltaics, Landfill Gas, Wind, Biomass, Geothermal Electric, Fuel Cells, Anaerobic Digestion, Tidal Energy, Wave Energy
Applicable Sectors:	Commercial, Residential, General Public/Consumer
Amount:	100% Exemption
Equipment Requirements:	Systems > 1 kW
Program Administrator:	Washington State Department of Revenue
Start Date:	7/1/2006
Expiration Date:	6/30/2013

Authority 1: SB 6170 **Date Effective:** 7/1/2009

Authority 2: RCW § 82.08.02567 **Expiration Date** 6/30/13

Authority 3: RCW § 82.08.835 **Date Enacted:** 3/24/06

Date Effective: 7/1/2006 **Expiration Date:** 6/30/2009

Summary

In Washington State, tax does not apply to the sales of equipment used to generate electricity using fuel cells, wind, sun, biomass energy, tidal or wave energy, geothermal, anaerobic digestion or landfill gas. HB 2799, passed in 2006, added solar water heating systems to the list of eligible technologies. The tax exemption for solar water heating expired June 30, 2009. The tax exemption applies to labor and services related to the installation of the equipment, as well as to the sale of equipment and machinery. Eligible systems are those with a generating capacity of at least 1 kilowatt (kW).

In May 2009, Washington passed SB 6170, effective July 1, 2009. With the passage of this legislation, the sales and use tax exemption was extended to June 30, 2011 for systems generating electricity using fuel cells, wind, sun, biomass energy, tidal or wave energy, geothermal, anaerobic digestion or landfill gas. Purchasers of the systems listed above may claim an exemption in the form of a remittance. From July 1, 2011 to June 30, 2013, the exemption for the systems described above will be reduced from 100% of the sales and use tax to 75% of the sales and use tax. This bill also extended the exemption for solar energy systems under 10 kW. Purchasers of these systems can provide the seller with an exemption certificate to avoid paying the sales and use tax. This exemption was extended in full until June 30, 2013.

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