

# SPECIAL NOTICE

June 1, 2006

For further information contact:

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1-800-647-7706 or (360) 705-6676

Alternate Formats (360) 705-6715  
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## Truck Stop and Diesel Truck Owners - Tax Incentives

Owners of truck stops and heavy duty diesel trucks that provide or use of auxiliary power through on-board or stand-alone electrification systems as external power sources to reduce air and noise pollution or reduce the consumption of diesel fuel are eligible for tax incentives effective June 7, 2006. (Substitute Senate Bill 6512)

### Truck Equipment Definitions

“**Heavy duty diesel truck**” is any diesel vehicle with a gross vehicle weight over 14,000 pounds.

“**On-board electrification system**” is the equipment that provides auxiliary electrical service to heavy duty diesel trucks that are equipped with the necessary components to accept electrical power, including inverters, heat and air systems capable of being powered by electricity, and hardware to plug into an electrical outlet.

“**Stand-alone electrification system**” is an independent system that supplies a heavy duty diesel truck’s needs for heating, ventilation, and air conditioning without modification to the truck.

## Truck Stop Owners

### B&O Tax Deduction

A B&O tax deduction applies to income received by truck stop owners for providing **non-metered** auxiliary power to heavy duty diesel trucks through on-board or stand-alone electrification systems. If the truck stop bundles non-metered electrical power with other services, such as Internet access, cable, telephone, etc., only amounts received for providing electrical power can be deducted from the B&O tax.

The deduction is taken on the Deduction Detail page of the excise tax return under “Other.” An explanation is also required, such as “Chapter 323, Laws 2006.”

### Public Utility Tax

Charges for metered electricity are subject to the public utility tax under the Power classification.

### **Retail sales and use tax exemption**

This exemption applies to the construction of pedestals at truck stops and equipment to deliver power to the trucks including:

- Machinery and equipment as a necessary component of the external power structure;
- Services and labor to construct external power structures including installing, constructing, repairing, cleaning, decorating, altering, or improving the external power structures;
- Machinery and equipment that provide auxiliary power through an external power structure.

## **Heavy Duty Diesel Truck Owners**

### **Retail sales and use tax exemption**

This exemption applies to equipment and labor which enables heavy duty diesel trucks to accept power through on-board electrification systems including:

- Parts and other components specific to enabling a heavy duty diesel truck to operate while parked with an on-board electrification system;
- Labor and services to install necessary equipment.

### **Required documentation**

You must provide the seller or service provider with a completed and signed *Buyers' Retail Sales Tax Exemption Certificate* when purchasing machinery, equipment, parts, labor and services that are exempt from retail sales tax. The certificate is available on our web site at <http://dor.wa.gov> under Forms or by calling our toll free number 1-800-647-7706.

**Note:** The person taking the exemption must keep adequate records for the Department to verify eligibility of the exemption.

### **For more information**

For additional information on **reducing engine idling at truck stops**, contact the Washington State Department of Ecology at <http://www.ecy.wa.gov>.

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.