

Cite as Det. No. 98-177, 19 WTD 197 (2000)

BEFORE THE APPEALS DIVISION
DEPARTMENT OF REVENUE
STATE OF WASHINGTON

In the Matter of the Petition For Refund of)	<u>D E T E R M I N A T I O N</u>
)	
)	No. 98-177
)	
...)	Registration No. . . .
)	FY. . . /Audit No. . . .
)	

- [1] RULE 17901; RCW 82.16.052: PUBLIC UTILITY TAX – DEDUCTION – ENERGY CONSERVATION – EXPENDITURES FOR. Eligibility for a public utility tax deduction for costs incurred in implementing energy conservation measures is dependent on giving priority for such measures to senior and low-income citizens. If a public utility company has more than one program for achieving such conservation, where possible, each program will be evaluated individually in judging whether it qualifies for the deduction.

Headnotes are provided as a convenience for the reader and are not in any way a part of the decision or in any way to be used in construing or interpreting this Determination.

NATURE OF ACTION:

Public utility company seeks tax credit for expenditures made to reduce energy end use.¹

FACTS:

Dressel, A.L.J. -- ...([T]axpayer) is a public utility company that produces and sells electricity and natural gas to the customers in its service area. Its books and records were examined by the Department of Revenue (Department) for the period January 1, 1991 through December 31, 1994. As a result a tax assessment, identified by the above-captioned numbers, was issued for \$. . . . The taxpayer paid the assessment, but now seeks a refund of \$. . . .

In the referenced audit the Department disallowed tax credits claimed by the taxpayer on three of 12 Demand Side Management (DSM) programs administered by the taxpayer. Demand Side

¹ Identifying details regarding the taxpayer and the assessment have been redacted pursuant to RCW 82.32.410.