

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
PROPERTY TAX						
<u>Public Property</u>						
35.21.755	Public corporations	438	1,602	Government	No	1
35.82.210	"					
84.36.010	Federal government	160,786	588,462	Government	No	2
84.36.010	State government	104,396	381,949	Government	No	2
84.36.010	County government	198,349	725,699	Government	No	3
84.36.010	Cities and towns	163,927	599,760	Government	No	3
84.36.010	Public colleges & universities	55,958	204,733	Government	No	4
84.36.010	Public K-12 schools	133,743	489,323	Government	No	4
84.36.010	Port districts	18,788	68,738	Government	No	5
84.36.010	Fire districts	1,716	6,278	Government	No	5
84.36.010	Public utility districts	19,182	148,563	Government	No	6
84.36.010	Public hospital districts	3,864	14,137	Government	No	6
84.36.040(2)	"					
84.36.010	Foreign consulates	74	269	Government	No	7
84.36.130	Airports, cities in other states	12	47	Government	No	7
84.36.135	Housing Finance Commission	0	0	Government	No	8
84.36.210	Right-of-way easements	354	1,295	Government	No	8
84.36.230	Interstate bridges	2,303	8,424	Government	No	9
84.36.451	Leaseholds of public property	-22,826	22,826	Tax base	No	9
84.36.605	Sale/leasebacks, R.T.A.	0	0	Government	No	10
<u>Nonprofit Organizations</u>						
84.36.020	Churches & parsonages	22,162	81,285	Nonprofit - C	No	11
84.36.030(1)	Nonsectarian organizations	4,914	18,025	Nonprofit - C	No	11
84.36.030(1)	Nonprofit merchandise sales	258	949	Nonprofit - C	No	12
84.36.030(2)	Church camps	817	2,997	Nonprofit - C	No	12
84.36.030(3)	Youth organizations	569	2,090	Nonprofit - C	No	13
84.36.030(5)	Red Cross	59	213	Nonprofit - H	No	13
84.36.030(6)	Student loan organizations	6	22	Nonprofit - O	No	14
84.36.032	Church offices	329	1,205	Nonprofit - C	No	14
84.36.035	Blood, bone & tissue banks	237	868	Nonprofit - H	No	15
84.36.037	Public assembly halls	378	1,384	Nonprofit - O	No	15
84.36.040(1a)	Day care centers	529	1,941	Nonprofit - H	No	16
84.36.040(1b)	Nonprofit libraries	18	68	Nonprofit - A	No	16
84.36.040(1c)	Orphanages	34	126	Nonprofit - H	No	17
84.36.040(1d)	Nursing homes	1,526	5,601	Nonprofit - H	No	17
84.36.040(1e)	Nonprofit hospitals	13,846	50,784	Nonprofit - H	No	18
84.36.040(1f)	Dialysis facilities	903	3,313	Nonprofit - H	No	18
84.36.041	Homes for the aging	3,164	11,610	Nonprofit - H	No	19
84.36.042	Housing, develop. disabled	179	655	Nonprofit - H	No	19
84.36.043	Emerg./transitional housing	693	2,543	Nonprofit - H	No	20
84.36.045	Medical research facilities	1,240	4,545	Nonprofit - H	No	20

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
84.36.046	Cancer treatment clinics	339	1,242	Nonprofit - H	No	21	
84.36.047	Radio & TV transmission	0	0	Nonprofit - O	No	21	
84.36.050(1)	Private colleges	8,664	31,779	Nonprofit - O	No	22	
84.36.050(1)	Private K-12 schools	9,274	34,022	Nonprofit - O	No	22	
84.36.050(2)	Educational foundations	37	137	Nonprofit - O	No	23	
84.36.060(1a)	Collections and museums	1,112	4,078	Nonprofit - A	No	23	
84.36.060(1b)	Performing arts	824	3,023	Nonprofit - A	No	24	
84.36.250	Water cooperatives	264	967	Nonprofit - O	No	24	
84.36.260	Open space & park land	263	964	Nonprofit - O	No	25	
84.36.350	Sheltered workshops	697	2,557	Nonprofit - H	No	25	
84.36.480	Fair associations	23	84	Nonprofit - O	No	26	
84.36.500	Conservation futures	0	0	Nonprofit - O	No	26	
84.36.550	Nonprofit fund-raising	57	207	Nonprofit - O	No	27	
84.36.560	Low-income rental housing	1,776	6,500	Nonprofit - H	No	27	
84.36.570	Demonstration farms	2	4	Nonprofit - O	No	28	
84.36.650	Fund-raising to support artists	4	13	Nonprofit - A	No	28	

Private Property

15.76.165	Leased agricultural fair lands	0	0	Agriculture	No	29
84.14.020	Targeted public housing	589	2,157	Other business	No	29
84.26.070	Historic property	2,707	9,902	Individual	No	30
84.33.210	Forest land, spec. assess.	544	1,989	Other	Yes	30
84.36.010	2nd Narrows bridge	0	0	Bus. Incentive	No	31
84.36.015	Parcels valued less than \$500	135	494	Other	No	31
84.36.020	Cemeteries	2,202	8,076	Other	No	32
84.36.030(4)	Veterans organizations	216	791	Other	No	32
84.36.060(1c)	Fire companies	0	0	Other	No	33
84.36.060(1d)	Humane societies	57	209	Other	No	33
84.36.255	Habitat/water quality improv.	48	175	Other	No	34
84.36.381	Senior citizens & disabled persons exemption	25,859	131,527	Individual	No	34
84.36.400	Home improvements	472	1,728	Individual	No	35
84.36.487	Air pollution control facilities	1,025	3,748	Other business	No	35
84.36.635	Alcohol/biodiesel fuel	0	0	Bus. incentive	No	36
84.36.640	Wood biomass fuel	0	0	Bus. incentive	No	36
84.36.655	Super-efficient aircraft	546	2,016	Bus. incentive	No	37
84.56.025	Waiver, delinquency penalties	0	0	Individual	No	37
84.56.450	Waiver, Y2K-related penalties	0	0	Other	No	38

Personal Property

84.36.070	Intangibles	4,473,369	16,252,332	Intangibles	Unlikely	39
84.36.079	Ships under construction	0	0	Bus. incentive	No	40
84.36.080(1)	Commercial vessels	2,565	17,391	Bus. incentive	No	40
84.36.080(2)	Historic vessels	16	56	Individuals	No	41
84.36.090	Other ships and vessels	-12,886	43,253	Individuals	No	41

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
84.36.105	Cargo containers	623	2,281		Bus. incentive	No	42
84.36.110(1)	Household goods	162,872	591,750		Individuals	No	42
84.36.110(2)	\$3,000 of personal property	356	1,293		Individuals	No	43
84.36.240	Soil & water conserv. districts	16	58		Government	No	43
84.36.300	Goods in transit	0	0		Bus. incentive	No	44
84.36.470	Ag. products held for sale	15,995	58,523		Agriculture	No	44
84.36.477	Business inventories	207,693	759,884		Other business	No	45
84.36.510	"						
84.36.580	Field burning equipment	28	102		Agriculture	No	45
84.36.590	Vitrification equipment	0	0		Bus. incentive	No	46
84.36.595	Vehicles, trailers, campers	243,679	885,480		Tax base	No	46
84.36.600	Custom computer software	2,472	9,045		Other business	No	47
84.36.630	Farm machinery (state levy)	3,274	0		Agriculture	No	47
84.36.645	Semiconductor materials	0	0		Bus. incentive	No	48
84.40.030(3)	Growing crops	466	1,702		Agriculture	No	48
84.40.037	Canned computer software	2,373	8,684		Other business	No	49
84.40.220	Nursery stock	241	883		Agriculture	No	49

Alternative Valuation/Deferral

84.33.140	Forest land, statutory values	15,390	56,308		Other business	No	50
84.33.140(13,14)	Forest land compensating tax	0	968		Other	Yes	50
84.34.060	Open space lands, current use	4,822	17,643		Other	No	51
84.34.065	Farm lands, current use	32,505	118,925		Agriculture	No	51
84.34.108(6)	Open space compensating tax	513	1,849		Other	Yes	52
84.36.381(6)	Valuation freeze, sen. citizens	19,751	62,130		Individuals	No	52
84.38.030	Senior citizens tax deferral	1,029	0		Individuals	Yes	53

IN-LIEU OF PROPERTY TAX

PUD Privilege Tax

43.52.460	Steam-generated power plant	0	0		Other business	No	54
-----------	-----------------------------	---	---	--	----------------	----	----

Leasehold Excise Tax

35.21.755	Public historical sites	377	331		Government	Unlikely	54
82.29A.020(1)	Government manufacturing	2,402	2,107		Government	Unlikely	55
82.29A.020(1)	Easements, removing products	377	331		Other	Yes	55
82.29A.020(2)	Hanford leases; excl. of fees	13	11		Other business	Unlikely	56
82.29A.120(1)	Credit for excessive tax	416	365		Other business	Yes	56
82.29A.120(2)	Product leases; 33% credit	208	182		Agriculture	Yes	57
82.29A.130(3)	Subsidized housing	7,353	6,449		Government	Unlikely	57
82.29A.130(5)	Public employee housing	209	183		Government	Unlikely	58
82.29A.130(6-7)	Indian trust lands	556	487		Government	No	58
82.29A.130(8-9)	Leases < \$250/year or 30 days	3,471	3,045		Other business	Yes	59
82.29A.130(10)	Homes pending destruction	63	55		Other	Unlikely	59
82.29A.130(11)	Public works contracts	53	47		Government	Unlikely	60

**SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)**

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
82.29A.130(12)	Inmate employment programs	40	35		Government	Unlikely	60
82.29A.130(13)	Camps for disabled persons	4	4		Nonprofit - H	Yes	61
82.29A.130(14)	Professional baseball stadium	92	81		Bus. incentive	Yes	61
82.29A.130(15)	Professional football stadium	120	105		Bus. incentive	Yes	62
82.29A.130(16)	Public facilities districts	97	85		Bus. incentive	Yes	62
82.29A.132	2nd Narrows bridge	0	0		Bus. incentive	No	63
82.29A.134	Sale/leasebacks, R. T. A.	0	0		Government	No	63
82.29A.135	Gasohol production facilities	0	0		Bus. incentive	No	64
82.29A.136	Developments, > 3000 lots	167	-227		Tax base	Yes	64
82.29A.137	Super-efficient aircraft facilities	1,100	965		Bus. incentive	Yes	65

Vehicle Excise Taxes

82.44.010(2)	Excluded motor vehicles	0	0		Tax base	No	65
82.44.015	Ride-sharing vehicles	0	262		Other	Yes	66
82.44.022	Personal vehicles, \$30 credit	0	0		Individuals	No	66
82.44.023	Rental cars	0	0		Tax base	No	67
82.44.025	Taipei Econ./Cultural vehicles	0	0		Government	No	67
82.48.100	Government aircraft	12	0		Government	No	68
82.48.100	Commercial aircraft	96	0		Commerce	No	68
82.48.100	Aircraft held for sale	4	0		Other business	Unlikely	69
82.48.100	Nonresident aircraft	4	0		Other business	Unlikely	69
82.49.020	Boats less than 16 ft. in length	3,287	0		Individuals	Yes	70
82.50.520(1-4)	Travel trailers and campers	0	0		Individuals	No	70

Timber Excise Tax

84.33.075	Nonprofit youth organizations	0	0		Nonprofit - C	Yes	71
84.33.077	Credit, tax on public timber	4,500	0		Other	Yes	71
84.33.0775	Credit, salmon regulations	11,300	0		Other business	Yes	72
84.33.086	\$50 minimum timber tax	2	14		Other business	Yes	72
84.33.170	Christmas trees/cottonwoods	134	536		Agriculture	Yes	73

BUSINESS AND OCCUPATION TAX

Public Activities

82.04.311	Tobacco Settlement Authority	1,095	0		Government	Unlikely	75
82.04.312	Water service, small districts	0	0		Government	No	75
82.04.395	Printing by schools	123	0		Government	Unlikely	76
82.04.397	Printing by local governments	88	0		Government	Unlikely	76
82.04.408	Housing Finance Commission	356	0		Government	No	77
82.04.415	Sand/gravel, local road const.	230	0		Government	Unlikely	77
82.04.418	Grants to local government	0	0		Government	Unlikely	78
82.04.419	Local govt. business income	16,502	0		Government	Unlikely	78
82.04.4201	Sales/leasebacks, R. T. A.	**	0		Government	Yes	79
82.04.600	Printing by libraries	8	0		Government	Unlikely	79

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
<u>Business Activities</u>						
82.04.062	Precious metals and bullion	400	0	Other business	Yes	80
82.04.110	Aluminum master alloys	* *	0	Bus. incentive	Yes	80
82.04.120	Processors of seafood	40	0	Bus. incentive	Yes	81
82.04.120	Seed conditioning	260	0	Agriculture	Yes	81
82.04.120	Hay cubing	416	0	Agriculture	Yes	82
82.04.2403	Fish cleaning	18	0	Bus. incentive	Yes	82
82.04.255	Real estate commissions	32,139	0	Other business	Yes	83
82.04.280	Rental of real estate	85,174	0	Other business	No	83
82.04.310	Public utilities	79,289	0	Tax base	No	84
82.04.315	International banking facilities	550	0	Bus. incentive	Yes	84
82.04.317	Wholesale auto auctions	11,707	0	Other business	Yes	85
82.04.422(1)	"					
82.04.320	Insurance premiums	577,800	0	Tax base	No	85
82.04.322	Health maint. organizations	265,529	0	Tax base	No	86
82.04.330	Agricultural producers	52,985	0	Agriculture	Yes	86
82.04.410	"					
82.04.330	Christmas tree producers	675	0	Agriculture	Yes	87
82.04.100	"					
82.04.331	Wholesaling conditioned seed	976	0	Agriculture	Yes	87
82.04.332	Wholesaling of grain	6,000	0	Agriculture	Yes	88
82.04.333	Small timber harvesters	490	0	Other business	Yes	88
82.04.335	Agricultural fairs	304	0	Agriculture	Yes	89
82.04.337	Exported processed hops	540	0	Agriculture	Yes	89
82.04.340	Boxing & wrestling matches	10	0	Tax base	Unlikely	90
82.04.350	Horse racing	4,832	0	Tax base	Unlikely	90
82.04.360	Income of employees	1,184,914	0	Tax base	No	91
82.04.360	Life insurance employees	1,288	0	Other business	Possibly	91
82.04.390	Real estate sales	362,000	0	Tax base	Unlikely	92
82.04.392	Income from trust accounts	2,033	0	Other business	Yes	92
82.04.394	Property mgmt., on-site	1,281	0	Tax base	Yes	93
82.04.405	Credit unions; federal charters	5,400	0	Other business	No	93
82.04.405	Credit unions; state charters	35,470	0	Other business	Unlikely	94
82.04.416	2nd Narrows bridge	0	0	Bus. Incentive	Yes	94
82.04.421	Group discount purchases	* *	0	Bus. incentive	Yes	95
82.04.422(2)	Accommodation sales, autos	190	0	Tax base	Yes	95
82.04.423	Direct sellers	12,301	0	Other business	Yes	96
82.04.424	Sellers with limited connection	0	0	Other business	Unlikely	96
82.04.425	Accommodation sales	2,020	0	Tax base	Yes	97
82.04.426	Semiconductor microchips	* *	0	Bus. incentive	Yes	97
82.32.045(4)	\$28,000 min. to file tax return	82,000	0	Other business	Yes	98
82.32.420	Waiver, delinquency penalties	0	0	Other business	No	98

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
<u>Nonprofit Organizations</u>						
82.04.324	Blood, bone and tissue banks	721	0	Nonprofit - H	Yes	99
82.04.326	Organ procurement	**	0	Nonprofit - H	Yes	99
82.04.327	Adult family homes	574	0	Nonprofit - H	Yes	100
82.04.338	Services for Hop Commission	**	0	Agriculture	Yes	100
82.04.339	Day care in churches	2,399	0	Nonprofit - H	Yes	101
82.04.3395	Child care resource/referral	35	0	Nonprofit - H	Yes	101
82.04.355	Commuter ride-sharing	0	0	Other	Yes	102
82.04.363	Camps & conference centers	132	0	Nonprofit - C	Yes	102
82.04.3651	Nonprofit org. fund-raising	148	0	Nonprofit - O	Yes	103
82.04.367	Student loan organizations	**	0	Nonprofit - O	Yes	103
82.04.368	Credit and debt counseling	500	0	Nonprofit - O	Yes	104
82.04.370	Fraternal insurance	3,875	0	Other	Yes	104
82.04.380	Red Cross	**	0	Nonprofit - H	No	105
82.04.385	Sheltered workshops	1,876	0	Nonprofit - H	Yes	105
82.04.399	Academic transcripts	6	0	Nonprofit - O	Yes	106
<u>Deductions</u>						
82.04.280(6)	Radio and TV broadcasting	2,042	0	Commerce	No	107
82.04.298(2)	Grocery co-ops	**	0	Bus. incentive	Yes	107
82.04.4271	Youth organization fees	568	0	Nonprofit - C	Yes	108
82.04.4281	Investments, nonfinancial firms	935,300	0	Tax base	Yes	108
82.04.4281	Dividends from subsidiaries	1,170	0	Tax base	Yes	109
82.04.4282	Membership dues and fees	1,498	0	Nonprofit - O	Unlikely	109
82.04.4282	Contributions and donations	7,257	0	Tax base	No	110
82.04.4282	Tuition fees	30,947	0	Nonprofit - O	Yes	110
82.04.4282	Trade shows	29	0	Nonprofit - O	Yes	111
82.04.4283	Cash discounts	22,200	0	Tax base	No	111
82.04.4284	Credit losses	10,299	0	Other business	Unlikely	112
82.04.4285	Motor fuel taxes	31,281	0	Tax base	Unlikely	112
82.04.4286	Constitutional deductions	895,500	0	Commerce	No	113
82.04.4287	Horticultural products	1,376	0	Agriculture	Yes	113
82.04.4289	Nursing homes	4,948	0	Nonprofit - H	Yes	114
82.04.4291	Intergovernmental charges	0	0	Government	Unlikely	114
82.04.4292	Interest on real estate loans	75,326	0	Other business	Yes	115
82.04.4293	Interest on govt. obligations	7,178	0	Government	Yes	115
82.04.4294	Interest on agricultural loans	**	0	Agriculture	Yes	116
82.04.4295	Manuf. completed in Wash.	4,395	0	Bus. incentive	Yes	116
82.04.4296	Funeral home reimbursement	22	0	Other business	Yes	117
82.04.4297	Govt. grants to nonprofits	113,828	0	Nonprofit - H	Yes	117
82.04.4298	Condo maintenance fees	4,251	0	Other business	Yes	118
82.04.4311	Public & nonprofit hospitals	123,543	0	Nonprofit - H	Yes	118
82.04.432	Municipal sewer charges	4,809	0	Government	Yes	119

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
82.04.4322	Govt. grants, arts organizations	3,912	0	0	Nonprofit - A	Yes	119
82.04.4324	" manufactured items						
82.04.4326	" tuitions						
82.04.4327	" business income						
82.04.4329	Health insurance pool fees	0	0	0	Other business	No	120
82.04.433	Fuel for commercial vessels	4,942	0	0	Other business	Unlikely	120
82.04.4331	Health insurance, med. claims	0	0	0	Tax base	No	121
82.04.4332	Foreign branch campuses	0	0	0	Nonprofit - O	No	121
82.04.4334	Sale of alternative fuel	21	0	0	Bus. incentive	Yes	122
82.04.4335	Sale of wood biomass fuel	0	0	0	Bus. incentive	Yes	122

Differential Tax Rates

82.04.240(2)	Semiconductor materials	0	0	0	Bus. incentive	Yes	123
82.04.250(1)	Retailing	29,593	0	0	Other business	Yes	123
82.04.250(3)	Certified aircraft repair firms	**	**	**	Bus. incentive	Yes	124
82.04.260(1a)	Manufacturers of flour and oil	5,098	0	0	Agriculture	Yes	124
82.04.260(1b)	Manufacturers of seafood	3,016	0	0	Bus. incentive	Yes	125
82.04.260(1c)	Fresh fruit and vegetables	12,159	0	0	Agriculture	Yes	125
82.04.260(1d)	Dairy products	4,131	0	0	Agriculture	Yes	126
82.04.260(1e)	Alternative fuels	0	0	0	Bus. incentive	Yes	126
82.04.260(2)	Processors of dry peas	41	0	0	Agriculture	Yes	127
82.04.260(4)	Processors of meat	16,990	0	0	Agriculture	Yes	127
82.04.260(5,6)	Nuclear fuel assemblies	**	0	0	Bus. incentive	Yes	128
82.04.260(7)	Travel agents	10,063	0	0	Other business	Yes	128
82.04.260(8)	Charter and freight brokers	23,646	0	0	Bus. incentive	Yes	129
82.04.260(9)	Stevedoring	10,480	0	0	Bus. incentive	Yes	129
82.04.260(11)	Insurance agents	29,355	0	0	Other business	Yes	130
82.04.260(13)	Manuf. of commercial aircraft	0	0	0	Bus. incentive	Yes	130
82.04.272	Resellers of prescription drugs	10,090	0	0	Bus. incentive	Yes	131
82.04.290(1)	International investment mgmt.	10,394	0	0	Bus. incentive	Yes	131
82.04.2905	Child care	680	0	0	Other business	Yes	132
82.04.2906	Chemical dependency	68	0	0	Other business	Yes	132
82.04.2907	Royalty income	37,767	0	0	Other business	Possibly	133

Credits

82.04.427	Pollution control facilities	3,135	0	0	Other business	No	134
82.34.060(2)	"						
82.04.4333	Job training services	**	0	0	Bus. incentive	Yes	134
82.04.434	Testing and safety labs	**	0	0	Bus. incentive	Yes	135
82.04.440(2&3)	Multiple activities, instate	-377	0	0	Commerce	No	135
82.04.440(2&4)	Multiple activities, interstate	21,135	0	0	Commerce	No	136
82.04.4451	Small business credit	43,380	0	0	Other business	Yes	136
82.04.4452	R&D; high technology firms	37,700	0	0	Bus. Incentive	Yes	137
82.04.44525	International services	**	0	0	Bus. incentive	Yes	137
82.04.4459	Field burning	0	0	0	Agriculture	Yes	138

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would	Page
		State Tax	Local Tax		Revenue Be	
					Realized?	
82.04.4461	Aircraft pre-production costs	0	0	Bus. incentive	Yes	138
82.04.4462	Aircraft computer costs	20,400	0	Bus. incentive	Yes	139
82.04.4463	Property taxes paid on aircraft manufacturing facilities	200	0	Bus. incentive	Yes	139
82.04.447	Nat. gas for DSI customers	0	0	Bus. incentive	Yes	140
82.04.448	New jobs, manufacturing of semiconductor materials	0	0	Bus. incentive	Yes	140
82.35.050	Cogeneration facilities	0	0	Bus. incentive	No	141
82.62.030	New jobs in rural counties	5,509	0	Bus. incentive	Yes	141
82.62.045	" CEZ					
82.70.020	Commute trip reduction	3,870	0	Other	Yes	142

OTHER BUSINESS TAXES

Public Utility Tax

35.58.560	Transit deduction for Metro	840	0	Government	Yes	143
82.16.020(1d&e)	Urban transportation & vessels	9,042	0	Other business	Yes	143
82.16.040	\$2,000 monthly minimum	1,000	0	Other business	Yes	144
82.16.042	Water service, small districts	250	0	Government	Yes	144
82.16.045	Credit, pollution control facilities	3,107	0	Other business	No	145
82.16.046	2nd Narrows bridge	0	0	Tax base	No	145
82.16.047	Ride-sharing & special needs	572	0	Other	Yes	146
82.16.0491	Credit, rural elec. contributions	600	0	Other business	Yes	146
82.16.0495	Credit, DSI customers	0	0	Bus. incentive	Yes	147
82.16.0497	Credit for billing discounts	5,000	0	Other business	Yes	147
82.16.050(1)	Receipts from taxes	22,728	0	Tax base	No	148
82.16.050(2)	Sales for resale	6,000	0	Tax base	No	148
82.16.050(3)	Joint utility services	32,000	0	Tax base	No	149
82.16.050(4)	Cash discounts	15,000	0	Tax base	No	149
82.16.050(5)	Credit losses	4,200	0	Other business	Unlikely	150
82.16.050(6)	Constitutional exemptions	211,363	0	Commerce	No	150
82.16.050(6)	Interstate transport., instate	9,405	0	Commerce	Possibly	151
82.16.050(7)	Irrigation water	810	0	Agriculture	Yes	151
82.16.050(8)	Interstate transp., thru freight	29,063	0	Commerce	No	152
82.16.050(8)	Shipments to ports	13,739	0	Agriculture	Yes	152
82.16.050(9)	Exported/resold electric power	500,000	0	Tax base	No	153
82.16.050(10)	Water associations	400	0	Nonprofit - O	Yes	153
82.16.050(11)	Processing/disposing sewerage	8,459	0	Tax base	No	154
82.16.053	Electric power, low-density	2,000	0	Other business	Yes	154
82.16.055	Cogeneration/renew. resources	400	0	Bus. incentive	Yes	155
82.34.060(2)	"					
82.70.020	Credit, commute trip reduction	630	0	Other	Yes	155

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
<u>Insurance Premiums Tax</u>						
48.14.020	Title insurance	11,548		0 Tax base	Unlikely	156
48.14.020	Annuities	100,739		0 Tax base	Unlikely	156
48.14.020(3)	Ocean marine insurance	2,917		0 Bus. incentive	Yes	157
48.14.0201(6a)	Medicare receipts	33,853		0 Other business	Yes	157
48.14.0201(6b)	Dentistry	21,195		0 Other business	Yes	158
48.14.022	Health insurance, Wash. Pool	861		0 Other business	Yes	158
48.14.029	Credit, international services	0		0 Bus. incentive	Yes	159
48.32.145	Insurance guarantee funds	15,774		0 Other business	Yes	159
48.32A.125	"					
48.36A.240	Fraternal benefit societies	5,166		0 Nonprofit - C	Yes	160
<u>Parimutuel Tax</u>						
67.16.105(1)	Nonprofit horse races	26		0 Other business	Yes	161
67.16.105(2)	Differential parimutuel tax rates	0		0 Other business	No	161
<u>Refuse Collection Tax</u>						
82.18.050	Federal government	534		0 Government	No	162
<u>Litter Tax</u>						
82.19.050(1)	Products shipped out of state	67		0 Tax base	Yes	163
82.19.050(2)	Agricultural products	1,642,000		0 Agriculture	Unlikely	163
82.19.050(3)	Grocery co-ops	**		0 Bus. Incentive	Yes	164
82.19.050(4)	Food & beverages on-premises	866		0 Tax base	Yes	164
<u>Petroleum Products Tax</u>						
82.23A.030(1)	Successive uses of petroleum	20,000		0 Tax base	No	165
82.23A.030(2)	Domestic uses of petroleum	100		0 Individuals	Unlikely	165
82.23A.030(3)	Constitutional exemptions	1,000		0 Commerce	No	166
82.23A.030(4)	Petroleum used prior to 7/1/89	0		0 Tax base	No	166
82.23A.030(5)	Fuel used in processing	100		0 Tax base	Unlikely	167
82.23A.030(6)	Exported petroleum products	6,500		0 Tax base	No	167
82.23A.030(7)	Packaged petroleum products	0		0 Tax base	Unlikely	168
82.23A.040(1)	Petroleum in vehicle fuel tanks	100		0 Tax base	No	168
82.23A.040(2)	Credit, taxes in other states	0		0 Commerce	No	169
<u>Oil Spill Tax</u>						
82.23B.030	Secondary transportation	400		0 Tax base	Unlikely	170
82.23B.040	Exported petroleum products	4,700		0 Tax base	Unlikely	170
82.23B.045	Credit, nonfuel uses	500		0 Tax base	No	171

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
<u>Enhanced Food Fish Tax</u>							
82.27.010	Tuna, mackerel & jack	60	0	Other business	Yes	172	
82.27.020	Differential fish tax rates	3,762	0	Other business	Yes	172	
82.27.030(1)	Imported frozen/packaged fish	246	0	Tax base	No	173	
82.27.030(2)	Commercial fish & shellfish	270	0	Tax base	No	173	
82.27.030(3)	Imported fish	20	0	Tax base	No	174	
82.27.040	Credit, taxes in other states	444	0	Tax base	No	174	

Soft Drinks Syrup Tax

82.64.030(1)	Succesive possession	17,670	0	Tax base	No	175
82.64.030(2)	Exported syrup	2,280	0	Tax base	No	175
82.64.030(3)	Trademarked beverages	0	0	Tax base	No	176
82.64.030(4)	Syrup used prior to 6/1/91	0	0	Tax base	No	176
82.64.040	Credit, taxes in other states	0	0	Tax base	No	177

RETAIL SALES AND USE TAX

Farm Products

82.04.050(3e)	Farm horticultural services	13,195	3,045	Agriculture	Yes	179
82.04.050(8)	Feed and seed	93,363	21,545	Agriculture	Unlikely	179
82.04.050(8)	Fertilizer and chemical spray	79,995	17,230	Agriculture	Yes	180
82.04.050(8)	Pollination agents	37	8	Agriculture	Yes	180
82.04.050(8)	Conservation and habitat	97	24	Agriculture	Yes	181
82.04.213	Christmas tree production	806	186	Agriculture	Yes	181
82.08.0257	Farm auction sales	804	186	Agriculture	Yes	182
82.12.0258	"					
82.08.0259	Breeding livestock and cattle	8,731	2,015	Agriculture	Yes	182
82.12.0261	"					
82.08.0267	Poultry used in production	3,626	837	Agriculture	Yes	183
82.12.0262	"					
82.08.0272	Semen, artificial insemination	954	220	Agriculture	Yes	183
82.12.0267	"					
82.08.02745	Farm-worker housing	1,248	364	Agriculture	Yes	184
82.12.02685	"					
82.08.0277	Pollen	40	10	Agriculture	Yes	184
82.12.0273	"					
82.08.0288	Leased irrigation equipment	12,989	2,998	Agriculture	Yes	185
82.12.0283	"					
82.08.0294	Fish feed for aquaculture	204	46	Agriculture	Yes	185
82.12.0294	"					
82.08.0295	Sale/leasebacks for processing	0	0	Agriculture	Yes	186
82.12.0295	"					
82.08.0296	Livestock feed	232	54	Agriculture	Yes	186
82.12.0296	"					

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
82.08.0311	Horticultural packing materials	394	92	Agriculture	Yes	187
82.12.0311	"					
82.08.840	Field burning equipment	486	142	Agriculture	Yes	187
82.12.840	"					
82.08.880	Medicine for livestock	2,550	745	Agriculture	Yes	188
82.12.880	"					
82.08.890	Dairy nutrient management	569	166	Agriculture	Yes	188
82.12.890	"					
82.08.900	Anaerobic digesters for dairies	0	0	Agriculture	Yes	189
82.12.900	"					
82.08.910	Gas to heat chicken houses	586	172	Agriculture	Yes	189
82.12.910	"					
82.08.920	Bedding materials for chickens	146	42	Agriculture	Yes	190
82.12.920	"					
<u>Producer Goods</u>						
82.04.050(1d)	Ferrosilicon	0	0	Bus. incentive	Yes	191
82.04.190(1d)	"					
82.08.0255(1)	Fuel for aircraft research	0	0	Bus. incentive	Yes	191
82.12.0256(1)	"					
82.08.02565	Manufacturing machinery	311,300	90,300	Bus. incentive	Yes	192
82.12.02565	"					
82.08.02566	Design of aircraft parts	593	172	Bus. incentive	Yes	192
82.12.02566	"					
82.08.02567	Elect. generating; renewables	22,750	6,650	Bus. Incentive	Yes	193
82.12.02567	"					
82.08.02568	Anodes/cathodes, aluminum	5,590	1,620	Bus. incentive	Yes	193
82.12.02568	"					
82.08.026	Natural & manufactured gas	34,843	-48,956	Tax base	No	194
82.12.023	"					
82.14.030(1)	"					
82.08.0274	Form lumber	0	0	Other business	Yes	194
82.12.0268	"					
82.08.0276	Wearing apparel for display	0	0	Other business	Yes	195
82.12.0271	"					
82.08.0298	Fishing boat fuel	1,464	428	Other business	Yes	195
82.12.0298	"					
82.08.0315	Film & video production equip.	1,160	340	Bus. incentive	Yes	196
82.12.0315	"					
82.08.810	Air pollution control facilities	**	**	Bus. Incentive	Yes	196
82.12.810	"					
82.08.811	Coal, thermal generating plants	**	**	Bus. incentive	Yes	197
82.12.811	"					
82.08.820	Warehouses, tax remittance	5,696	0	Bus. incentive	Yes	197
82.12.820	"					

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
82.08.955	Distribution of biodiesel fuels	30	9	Bus. incentive	Yes	198
82.12.955	"					
82.08.960	Distrib. of wood biomass fuel	0	0	Bus. incentive	Yes	198
82.12.960	"					
82.08.965	Semiconductor materials	0	0	Bus. incentive	Yes	199
82.12.965	"					
82.08.970	Semiconductor materials, gas	0	0	Bus. incentive	Yes	199
82.12.970	"					
82.08.975	Aircraft computer costs	4,700	1,360	Bus. incentive	Yes	200
82.12.975	"					
82.08.980	Aircraft production facilities	20,500	6,000	Bus. incentive	Yes	200
82.12.980	"					
82.12.010(1)	Use tax on rental value	3,181	686	Other business	Yes	201
82.12.0263	Extracted fuel	4,033	1,179	Other business	Yes	201
82.12.0265	Bailed equipment for R&D	1,338	391	Other business	Yes	202
82.12.0272	Display items for trade shows	1,094	319	Other business	Yes	202
82.12.800	Boats used by manuf./dealers	636	186	Other business	Yes	203
82.12.801	"					
82.12.802	"					

Interstate Sales

82.08.0254	Constitutionally exempt sales	282,018	73,759	Commerce	No	204
82.12.0255	"					
82.08.0255(2)	Special fuel	2,686	786	Commerce	No	204
82.12.0256(2)	"					
82.08.0261	Items used in interstate comm.	226	60	Commerce	Unlikely	205
82.08.0262	Interstate transportation equip.	143,087	41,825	Commerce	Unlikely	205
82.08.0263	Interstate commerce vehicles	24,334	6,365	Commerce	Unlikely	206
82.08.0264	Vehicles sold to nonresidents	74,206	21,729	Individuals	No	206
82.08.0265	Repaired items, to other states	7,691	2,012	Individuals	No	207
82.08.0266	Boats sold to nonresidents	10,498	2,746	Individuals	Unlikely	207
82.12.02665	"					
82.08.0268	Farm equip. for nonresidents	7,430	2,172	Agriculture	Unlikely	208
82.08.0269	Alaska & Hawaii purchases	0	0	Individuals	No	208
82.08.0273	Purchases by nonresidents of states with sales taxes < 3.0%	80,812	23,623	Individuals	Possibly	209
82.08.0279	Nonresidents' rental cars	29	9	Commerce	Unlikely	209
82.08.050(5)	Sellers with a limited connection to Washington	0	0	Other business	Unlikely	210
82.12.040(5)	"					
82.08.850	Exported conifer seedings	32	8	Agriculture	Yes	210
82.12.850	"					
82.12.0251	Nonresidents' pers. property	8,374,185	2,447,838	Individuals	Unlikely	211
82.12.0254	Vehicles used in commerce	63,140	16,514	Commerce	No	211
82.12.0266	Vehicles acquired in military	3,639	1,063	Individuals	Yes	212

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
<u>Public Activities</u>							
82.04.050(7)	Labor, local road construction	154,243	37,967		Government	Yes	213
82.04.050(9)	Labor, Federal govt. structures	56,472	16,507		Government	No	213
82.08.02525	Copies of public records	44	12		Individuals	Yes	214
82.12.02525	"						
82.08.0255(1b)	Fuel for urban transit	2,655	776		Government	Yes	214
82.12.0256(3)	"						
82.08.0256	Public utility property	0	0		Government	Yes	215
82.12.0257	"						
82.08.02569	Gravitational wave observatory	0	0		Government	No	215
82.12.02569	"						
82.08.0271	Watershed & flood protection	51	15		Government	Yes	216
82.12.930	"						
82.08.0275	Sand/gravel, local road const.	3,089	903		Government	Yes	216
82.12.0269	"						
82.08.0278	Annexation sales	0	0		Government	Yes	217
82.12.0274	"						
82.08.0285	Ferry boats	10,604	3,100		Government	Yes	217
82.12.0279	"						
82.08.0287	Ride-sharing vehicles	842	246		Other	Yes	218
82.12.0282	"						
82.08.02875	Football stadium parking	572	168		Government	Yes	218
82.08.02915	Housing for youth in crisis	132	39		Nonprofit - H	Yes	219
82.12.02915	"						
82.08.0299	Lodging for homeless persons	14	12		Individuals	Yes	219
82.08.0316	Cigarettes, tribal contracts	0	0		Government	No	220
82.12.0316	"						
82.08.834	Sale/leasebacks for R. T. A.	0	0		Government	No	220
82.12.834	"						
82.08.870	Motorcycles, rider training	6	2		Government	Yes	221
82.12.845	"						
82.12.02545	Naval aircraft training equip.	0	0		Government	No	221
82.12.02595	Donations to nonprofits/govt.	891	261		Nonprofit - O	Yes	222
82.12.0264	Driver training vehicles	189	55		Government	Yes	222
82.12.0284	Computers donated to schools	203	59		Government	Yes	223
<u>Health-Related Purchases</u>							
82.04.050(2a)	Hospital laundry service	2,292	670		Nonprofit - H	Yes	224
82.08.02795	Free public hospitals	156	39		Other	Yes	224
82.12.02745	"						
82.08.02805	Blood, bone & tissue banks	607	178		Nonprofit - H	Yes	225
82.12.02747	"						
82.08.02806	Human body parts	959	280		Other	Yes	225
82.12.02748	"						

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

RCW	Brief Description	Taxpayer Savings (\$000)		Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax			
82.08.02807	Organ procurement	**	**	Nonprofit - H	Yes	226
82.12.02749	"					
82.08.0281	Prescription drugs	453,791	132,647	Individuals	Yes	226
82.12.0275	"					
82.08.0283	Medical devices	151,264	44,216	Individuals	Yes	227
82.12.0277	"					
82.08.925	Dietary supplements	4,585	1,340	Individuals	Yes	227
82.12.925	"					
82.08.935	Drug delivery systems	55	16	Individuals	Yes	228
82.12.935	"					
82.08.940	Over-the-counter drugs	15,792	4,616	Individuals	Yes	228
82.12.940	"					
82.08.945	Kidney dialysis equipment	0	0	Other business	No	229
82.12.945	"					

Other Sales/Use Tax Exemptions

82.04.050	Personal & prof. services	5,291,004	1,546,601	Services	Yes	230
82.04.050(2a)	Apartment coin-op laundries	6,252	1,825	Individuals	Yes	231
82.04.050(2d)	Janitorial services	0	0	Services	Yes	231
82.04.050(3e)	Tree trimming, power lines	4,786	1,401	Tax base	Yes	232
82.04.050(6)	Custom computer software	42,751	12,496	Services	Yes	232
82.04.062	Precious metals & bullion	5,000	1,462	Other business	Yes	233
82.08.010(1)	Trade-ins	255,000	74,538	Individuals	Yes	233
82.08.0251	Casual sales	9,779	2,859	Individuals	Unlikely	234
82.08.0253	Newspapers	27,216	7,956	Individuals	Yes	234
82.12.0345	"					
82.08.02535	Fund-raising sales, magazines	881	258	Nonprofit - O	Yes	235
82.08.02537	Academic transcripts	233	68	Individuals	Yes	235
82.12.0347	"					
82.08.0255(1b)	Motor vehicle and special fuel	489,750	143,158	Individuals	Yes	236
82.12.0256(3)	"					
82.08.02573	Fund-raising, nonprofit org.	864	252	Nonprofit - O	Yes	236
82.08.0258	Red Cross	**	**	Nonprofit - H	No	237
82.12.0259	"					
82.08.0282	Returnable containers	0	0	Other business	Yes	237
82.12.0276	"					
82.08.0289	Local residential & coin-op telephone service	83,000	24,300	Individuals	Yes	238
82.08.0291	Recreation & physical fitness by youth orgs. & local govt.	7,838	1,809	Nonprofit - C	Yes	238
82.12.02917	"					
82.08.0293	Food and food ingredients	1,389,818	406,255	Individuals	Yes	239
82.12.0293	"					
82.08.0297	Food stamp purchases	3,002	877	Individuals	Yes	239
82.12.0297	"					

**SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)**

RCW	Brief Description	Taxpayer Savings (\$000)			Category	Would Revenue Be Realized?	Page
		State Tax	Local Tax				
82.08.031	Arts & cultural organizations	1,520	440	Nonprofit - A	Yes	240	
82.12.031	"						
82.08.032	Used park-model trailers	639	187	Individuals	No	240	
82.12.032	"						
82.08.033	Used mobile homes	29,534	8,147	Individuals	No	241	
82.12.033	"						
82.08.034	Used floating homes	158	46	Individuals	No	241	
82.12.034	"						
82.08.036	Core deposits & tire fees	0	0	Tax base	No	242	
82.12.038	"						
82.08.830	Nonprofit camps/conf. centers	274	81	Nonprofit - C	Yes	242	
82.08.832	Gun safes	89	26	Individuals	Yes	243	
82.12.832	"						
82.08.950	Electricity and steam	0	0	Tax base	No	243	
82.12.950	"						
82.14.410	Local sales tax cap for lodging	0	2,609	Other business	Yes	244	
67.28.181	"						
82.14.430	Regional transportation tax; exemption for certain vehicles	0	0	Tax base	Yes	244	
82.14.450(3)	Local sales tax; vehicles	0	0	Bus. Incentive	Yes	245	

Deferrals & Credits

36.100.090	Baseball stadium deferral	0	0	Bus. Incentive	No	246
36.102.070	Football stadium deferral	0	0	Bus. Incentive	No	246
47.46.060	2nd Narrows bridge	20,589	6,672	Bus. Incentive	No	247
82.08.037	Credit for bad debts	95,634	27,954	Other business	Unlikely	247
82.12.037	"					
82.12.024	Natural gas, DSI customers	0	0	Bus. incentive	Possibly	248
82.12.035	Credit, tax paid to other states	104,920	27,441	Tax base	Unlikely	248
82.32.065	Vehicles under warranty	357	105	Other business	Unlikely	249
82.34.050(2)	Pollution control credit	297	0	Other business	Unlikely	249
82.60.040	Rural county deferral	14,000	4,060	Bus. incentive	Yes	250
82.60.049	"					
82.63.030	High technology deferral	47,500	13,800	Bus. incentive	Yes	250
82.66.040	Horse race track deferral	0	0	Bus. incentive	No	251

OTHER SALES TAXES

Cigarette/Tobacco Taxes

82.24.260(1c)	Cigarette allotment for Tribes	20,100	0	Government	No	253
82.24.290	Cigarettes, military personnel	50,900	0	Government	No	253
82.24.260(1b)	"					
82.24.295(1)	Cigarettes, tribal contracts	0	0	Government	Unlikely	254
82.26.040	Tobacco prod.; constitution	2,598	0	Government	No	254

Fuel Taxes

SUMMARY LISTING OF TAX PREFERENCES
Taxpayer Savings for 2003-05 Biennium (\$000)

<u>RCW</u>	<u>Brief Description</u>	<u>Taxpayer Savings (\$000)</u>		<u>Category</u>	<u>Would Revenue Be Realized?</u>	<u>Page</u>
		<u>State Tax</u>	<u>Local Tax</u>			
82.36.029	Handling losses	4,212		0 Other business	Yes	255
82.36.230	Imported & exported fuel	1,805,000		0 Commerce	No	255
82.38.030	"					
82.36.230	Fuel sold to the military	29		0 Government	No	256
82.36.245	Fuel sold to foreign govts.	12		0 Government	Unlikely	256
82.36.275	Fuel used in urban transp.	12,666		0 Government	Yes	257
82.38.080	"					
82.36.280	Refunded tax, nonhighway use	1,875		0 Tax base	No	257
82.36.285	Special needs transportation	1,436		0 Nonprofit - H	Yes	258
82.38.080(1h)	"					
82.36.300	Refunded tax, exported fuel	1,252,687		0 Commerce	No	258
82.36.305	Marine uses of fuel	650		0 Tax base	No	259
82.36.370	Lost or destroyed fuel	0		0 Other business	Unlikely	259
82.38.180	"					
82.38.080	Special fuel tax exemptions	69,126		0 Other	No	260
82.38.081	Leaded fuel for racing	26		0 Tax base	Unlikely	260
82.42.020	Crop dusting	210		0 Agriculture	Yes	261
82.42.020	Emergency air transportation	120		0 Other	Yes	261
82.42.030	Commercial aircraft	97,429		0 Other business	Possibly	262
82.42.030	Imported/exported aircraft fuel	100,614		0 Commerce	No	262
82.42.070	"					
82.42.070	Aircraft fuel sold to U.S. gov't.	30,696		0 Government	No	263
<u>All Other Taxes</u>						
66.20.010(7)	Sales of liquor to the military	8,000		0 Government	No	264
66.24.290(3b)	Beer tax, microbrewers	2,478		0 Bus. incentive	Yes	264
82.45.010	REET exemptions	295,629	106,241	Tax base	Possibly	265
82.45.190	2nd Narrows bridge	0		0 Tax base	No	265

NOTES:

0 indicates zero, minimal or indeterminate fiscal impact.

* * data cannot be disclosed due to insufficient number of taxpayers.

An Excel spreadsheet on the Department's webpage contains estimates of the savings to taxpayers for both state and local taxes for each of the four years covered by this report.