

**RCW 82.04.4266 Exemptions—Fruit and vegetable businesses.**

(**Expires July 1, 2035.**) (1) This chapter does not apply to the value of products or the gross proceeds of sales derived from:

(a) Manufacturing fruits or vegetables by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables; or

(b) Selling at wholesale fruits or vegetables manufactured by the seller by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables and sold to purchasers who transport in the ordinary course of business the goods out of this state. A person taking an exemption under this subsection (1)(b) must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state.

(2) For purposes of this section, "fruits" and "vegetables" do not include cannabis, useable cannabis, or cannabis-infused products.

(3) A person claiming the exemption provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(4) This section expires July 1, 2035. [2023 c 422 s 3; 2022 c 16 s 142; 2020 c 139 s 5; 2015 3rd sp.s. c 6 s 202; 2014 c 140 s 9; 2012 2nd sp.s. c 6 s 201; 2011 c 2 s 202 (Initiative Measure No. 1107, approved November 2, 2010); 2010 1st sp.s. c 23 s 504; (2010 1st sp.s. c 23 s 503 expired June 10, 2010); 2010 c 114 s 111; 2006 c 354 s 3; 2005 c 513 s 1.]

**Tax preference performance statement—2023 c 422 ss 2-5:** See note following RCW 82.04.4268.

**Intent—Finding—2022 c 16:** See note following RCW 69.50.101.

**Effective dates—2020 c 272; 2017 c 323; 2015 3rd sp.s. c 6:** "(1)

Except as provided otherwise in this part, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2015.

(2) Parts IV, VI, VIII, and XIX of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect September 1, 2015.

(3) Part X of this act takes effect October 1, 2016.

(4) Section 1105 of this act takes effect January 1, 2016.

(5) Except for section 2004 of this act, Part XX of this act takes effect January 1, 2019." [2020 c 272 s 5; 2017 c 323 s 301; 2015 3rd sp.s. c 6 s 2301.]

**Tax preference performance statement—2015 3rd sp.s. c 6 ss**

**202-205:** "This section is the tax preference performance statement for the agricultural processor tax exemptions in sections 202 through 205 of this act. The performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to accomplish the general purposes indicated in RCW 82.32.808(2) (c) and (e).

(2) It is the legislature's specific public policy objective to create and retain jobs and continue providing tax relief to the food processing industry.

(3) To measure the effectiveness of the exemptions in sections 202 through 205 of this act in achieving the public policy objectives described in subsection (2) of this section, the joint legislative audit and review committee must evaluate the following:

(a) The number of businesses that claim the exemptions in sections 202 through 205 of this act;

(b) The change in total taxable income for taxpayers claiming the exemptions under sections 202 through 205 of this act;

(c) The change in total employment for taxpayers claiming the exemptions under sections 202 through 205 of this act; and

(d) For each calendar year, the total amount of exemptions claimed under sections 202 through 205 of this act as a percentage of total taxable income for taxpayers within taxable income categories.

(4) The information provided in the annual survey submitted by the taxpayers under \*RCW 82.32.585, tax data collected by the department of revenue, and data collected by the employment security department is intended to provide the informational basis for the evaluation under subsection (3) of this section.

(5) In addition to the data sources described under subsection (4) of this section, the joint legislative audit and review committee may use any other data it deems necessary in performing the evaluation under subsection (3) of this section." [2015 3rd sp.s. c 6 s 201.]

**\*Reviser's note:** RCW 82.32.585 was repealed by 2017 c 135 s 2, effective January 1, 2018.

**Existing rights, liabilities, or obligations—Effective dates—Contingent effective dates—2012 2nd sp.s. c 6:** See notes following RCW 82.04.29005.

**Findings—Construction—2011 c 2 (Initiative Measure No. 1107):** See notes following RCW 82.08.0293.

**Expiration date—2010 1st sp.s. c 23 ss 503, 505, and 514:** "Sections 503, 505, and 514 of this act expire June 10, 2010." [2010 1st sp.s. c 23 s 1711.]

**Effective date—2010 1st sp.s. c 23 ss 504, 506, and 515:** "Sections 504, 506, and 515 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect June 10, 2010." [2010 1st sp.s. c 23 s 1712.]

**Findings—Intent—2010 1st sp.s. c 23:** See notes following RCW 82.04.220.

**Effective date—2010 1st sp.s. c 23:** See note following RCW 82.04.4292.

**Application—Finding—Intent—2010 c 114:** See notes following RCW 82.32.534.

**Effective dates—2006 c 354:** See note following RCW 82.04.4268.

**Effective dates—2005 c 513:** "This act takes effect July 1, 2007, except for sections 1 through 3 of this act which are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2005, and section 5, chapter 513, Laws of 2005, which takes effect April 30, 2007." [2007 c 243 s 1; 2005 c 513 s 14.]