

WASHINGTON STATE “GREEN” TAX INCENTIVES

Authority	Description	Type of Incentive	Target Audience	Expiration
RCW 82.04.260(1)(f)	Tax reduction for manufacturing alcohol fuel or wood biomass fuel.	Reduced B&O tax of .138%	Manufacturers - energy producers	No expiration
RCW 82.04.294	<p>Tax reduction for persons who manufacture, process for hire, or make wholesale sales of solar energy systems using photovoltaic modules or silicon grade silicon components of these systems.</p> <p>Beginning October 1, 2009, this section was be expanded to include silicon solar wafers, silicon solar cells, thin film solar devices, or compound semiconductor solar wafers to be used in solar energy systems.</p>	<p>Reduced B&O tax of .2904% (until September 30, 2009)</p> <p>Reduced B&O tax of .275% (as of October 1, 2009)Reduced B&O tax of .275%</p>	Manufacturers - energy producers; Businesses - energy producers	June 30, 2014
RCW 82.04.4334	Tax deduction for income received from the sale or distribution of biodiesel fuel or E85 motor fuel.	B&O deduction	Businesses - fuel producers and distributors	July 15, 2015

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RCW 82.04.4493	<p>Tax credit for purchases of certain commercial appliances that are rated energy efficient by the Consortium for Energy Efficiency or the Energy Star Program.</p> <p>Includes commercial: freezers and refrigerators; high efficiency clothes washers; ice makers; full-sized gas convection ovens; deep fat fryers; and hot food holding cabinets.</p>	<p>Non-refundable credit in the amount equal to 8.8% of the purchase price. Credit is available on a first-in-time basis. The total amount of credits claimed statewide shall not exceed \$750,000 in any year.</p> <p>Credit may be carried over for one year. Gross income of the business may not exceed \$750,000.</p>	Businesses - any business utilizing commercial appliances.	July 1, 2010
RCW 82.04.4494	Tax credit for harvesters of forest derived biomass sold or used for production of electricity, steam, heat or biofuel.	<p>Non-refundable B&O tax credit for harvested green ton in the following amounts:</p> <ul style="list-style-type: none"> • From July 10, 2010- June 30, 2013, \$3 per harvested green ton • From July 1, 2013-June 30, 2015, \$5 per harvested green ton <p>Credit may be carried forward for a maximum of 2 years.</p>	Harvesters of forest derived biomass	June 30, 2015

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<p>RCW 82.16.120; 82.16.130; 82.16.110 (for definitions).⁹</p>	<p>Cost recovery incentive for individuals, businesses, and local government entities that are not in the light and power or in the gas distribution business from the light and power business that serves them for each kWh of “customer-generated electricity.” Incentive is subject to consumer certification requirements.</p> <p>Participating light and power businesses are allowed a tax credit.</p>	<p>Cost recovery incentive of \$.15/kWh or \$.30/kWh in the case of “<i>community solar projects</i>,” both rates to be multiplied by factors set forth in 82.16.120(5).</p> <p>Incentive is limited to \$5000 per individual, household, business or local government entity or to \$5000 for each applicant in a community solar project.</p> <p>Total incentives paid are limited to funds available for program. Incentives will be reduced proportionately.</p> <p>Power and light businesses are allowed a tax credit of 1% of taxable power sale or \$100,000, whichever is greater.</p>	<p>Consumers; businesses; local government entities; light and power businesses</p>	<p>June 30, 2020</p>

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Authority	Description	Type of Incentive	Target Audience	Expiration
RCW 82.08.955; 82.12.955	Tax exemption for the purchase of machinery and equipment and the construction of facilities used directly for the retail sale of biofuel and biofuel blends. Exemption for the purchase of fuel delivery vehicles and related labor and service charges if at least 75% of fuel distributed by the vehicles is biodiesel blend or E85 motor fuel.	Retail sales tax and use tax exemptions.	Businesses - biofuel distributors	July 1, 2015
RCW 82.08.900; 82.12.900	Tax exemption for sales or services related to “ <i>anaerobic digesters.</i> ” The anaerobic digester must be used primarily to process livestock manure into biogas.	Retail sales tax and use tax exemptions.	Businesses	No Expiration
RCW 82.08.0205; 82.12.0205	Tax exemption for sales of waste vegetable oil that is used by a person in the production of biodiesel for personal use. Certification required.	Retail sales tax and use tax exemptions.	Consumers	No Expiration

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RCW 82.08.962 and 82.12.962	Tax exemption for sales tax paid on machinery and equipment (or services related thereto) used to create energy from fuel cells, sun, wind, biomass energy, tidal and wave energy, geothermal resources, anaerobic digestion, and technology that converts otherwise lost energy from exhaust or landfill gas. Purchaser must be capable of generating at least 1000 watts of electricity.	From July 1, 2009 through June 30, 2011, these purchases are exempt from retail sales and use taxes. From July 1, 2011 through June 30, 2013, the exemption is equal to 75% of the state and local sales tax paid. The purchaser is eligible for an exemption in the form of a remittance.	Businesses engaging in self-generated electricity	June 30, 2013
RCW 82.08.963 and 82.12.963	Tax exemption for sales tax paid on machinery and equipment used directly in generating electricity using solar energy (or services related thereto), but only if the purchaser is capable of generating not more than 10 kilowatts of electricity. Exemption certificate required.	Retail sales tax and use tax exemptions.	Businesses engaging in self-generated solar energy	June 30, 2013
RCW 82.08.956 and 82.12.956	Tax exemption for sales of hog fuel to produce electricity, steam, heat, or biofuel. Exemption certificate required.	Retail sales tax and use tax exemptions.	Businesses - energy producers	June 30, 2013

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RCW 82.08.957 and 82.12.957	Tax exemption for sales of forest derived biomass used to produce electricity, steam, heat, or biofuel. Exemption certificate required.	Retail sales tax and use tax exemptions.	Businesses - energy producers	June 30, 2013
RCW 82.08.020(7)(a)	Tax exemption for sales of new passenger cars, light duty trucks, and medium duty passenger vehicles, which utilize hybrid technology and meet applicable mileage ratings.	Retail sales tax exemption.	Consumers; Private businesses	January 1, 2011