



# Manufacturer's Sales and Use Tax Exemption Certificate For Manufacturing Machinery and Equipment

## Type of Certificate

- Single Use Certificate
- Blanket Certificate

A single use certificate must be used each time an exempt item is purchased.

Blanket certificates are valid for as long as the buyer and seller have a recurring business relationship. A "recurring business relationship" means at least one sale transaction within a period of twelve months. RCW 82.08.050 (7)(c).

1. Buyer/User UBI/Revenue Tax Registration No. \_\_\_\_\_
2. Name of Buyer/User \_\_\_\_\_
3. Address of Buyer/User \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
4. Name of Seller \_\_\_\_\_

The buyer/user certifies that it is a qualified manufacturer engaged in manufacturing or processing for hire activities and that the items purchased will be used directly in manufacturing or processing for hire operation. **The seller must keep a copy of the certificate for his/her records. Do not attach to the Combined Excise Tax Return.**

House Bill 1347 (Laws of 2011) clarifies those qualified to use the manufacturing machinery and equipment exemption, and updates the definition of "manufacturer," "manufacturing," and "manufacturing operation."

Changes include, but are not limited to:

The state and its departments and institutions, public utilities, and others taxable under public utility tax *are not* eligible for the exemption. Four-year institutions of higher education *are* eligible for the exemption on machinery and equipment used primarily in a technological research and development operation.

To be considered "used directly" in a manufacturing operation or research and development operation, the machinery and equipment must:

- ◆ Act upon or interact with an item of tangible personal property;
- ◆ Convey, transport, handle, or temporarily store an item of tangible personal property at the manufacturing site;
- ◆ Control, guide, measure, verify, align, regulate, or test tangible personal property;
- ◆ Provide physical support for or access to tangible personal property;
- ◆ Produce steam or mechanical power for, or lubricate machinery and equipment;
- ◆ Produce another item of tangible personal property for use in the manufacturing operation or research and development operation;
- ◆ Place tangible personal property in the container, package, or wrapping in which the tangible personal property is normally sold or transported;
- ◆ Be integral to research and development as defined in RCW 82.63.010; or
- ◆ Be for repair and replacement parts or repair and cleaning labor for eligible items.

The sales and use tax exemption does not include:

- ◆ Consumable items;
- ◆ Hand-powered tools;
- ◆ Property with a useful life of less than one year;
- ◆ Building fixtures that are not integral to the manufacturing operation that are permanently affixed to and become a physical part of a building. This includes utility systems for heating, ventilation, air conditioning, communications, plumbing, or electrical.

➤ ***This certificate is given with full knowledge of, and subject to, the legally prescribed penalties for fraud and tax evasion.***

Authorized Agent of Buyer/User (please print) \_\_\_\_\_

Authorized Signature \_\_\_\_\_ Title \_\_\_\_\_

Date \_\_\_\_\_