

HOUSE RESEARCH

Bill Summary

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Authors: Daggett and others

Subject: Expanding the sales tax exemptions for water production facilities

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Overview

Expands the capital equipment and materials consumed in production exemptions for water production. Currently these exemptions only apply to equipment and materials used in the water treatment plant. This bill would expand the exemptions to include equipment and materials used in storing and pressurizing the water for delivery to the final consumer.

- 1 Capital equipment.** Expands the definition of refining for the capital equipment exemption to include pressurization and repressurization of water to be sold at retail or wholesale. Currently only capital equipment used in the treatment of the water is exempt from the sales tax.
- 2 Materials consumed in production.** Expands the definition of production for the materials consumed in production exemption to include the production of water to be sold at retail or wholesale. Production of water would include treating, storing, pressurizing, and repressurizing of the water.