

TAX EXEMPTION CERTIFICATION FOR MACHINERY AND EQUIPMENT

BUSINESS SERVICES
WESTERN WASHINGTON UNIVERSITY
BELLINGHAM, WA 98225-1420

DEPT. REQUISITION NO.

Equipment purchased for University research and development activities may qualify for tax exemption. The tax exemption is allowable under RCW 82.08.02565, known as the Machinery and Equipment Tax Exemption, or the "M&E Exemption." Qualifying usage is the only requirement for this exemption. See 70.42 for complete definitions of qualifying usage.

The equipment listed on the attached Department Requisition (see 70.10):

- Must have a useful life of more than one year
- Is not a hand-powered tool
- Is not a consumable
- If a building fixture, must be integral to research and development activity

The tax exemption does not apply to the following applied uses of goods and services (*RCW 82.080.02565*):

- Adaptation or duplication of existing products not substantially improve by application of technology
- Social science and humanities research
- Quality control
- Computer software developed for internal department use
- Research in areas such as improved style, taste, and seasonal design.
- Market research or testing
- Sale promotion or service
- Surveys and studies

The principal investigator or departmental researcher, the department Chair or Director, and the Dean or Provost must certify that the item meets all of the exemption criteria described above *and* selected below.

GOODS AND SERVICES LISTED ON ATTACHED REQUISITION ARE AS DESCRIBES AS: (Must check one or more.)

- Machinery or equipment to be directly used more than 50% of the time in a research and development operation.
- Machinery or equipment to be directly used more than 50% of the time in testing operations.
- Machinery or equipment to be directly used more than 50% of the time in an approved manufacturing operation where more than half of the sales are to an outside vendor (e.g., cheese manufacturing).
- Labor and services rendered to install, repair, clean, alter, or improve qualified equipment.
- Parts that increase productivity, improve efficiency, or extend useful life of qualified equipment.

APPLIED USE OF THE EQUIPMENT QUALIFIES AS RESEARCH AND DEVELOPMENT BECAUSE ITEM WILL BE USED FOR: (Must check one or more.)

- Advanced Computing** – Technologies used in the designing and developing of computing hardware and software, including innovations in designing the full spectrum of hardware from hand-held calculators to super computers, and peripheral equipment.
- Advanced Materials** – Materials with engineered properties created through the development of specialized processing and synthesis technology, including ceramics, high value-added metals, electronic materials, composites, polymers, and biomaterials.
- Biotechnology** – The application of technologies, such as recombinant DNA techniques, biochemistry, molecular and cellular biology, genetics and genetic engineering, cell fusion techniques, and new bioprocesses, using living organisms, or parts of organisms, to produce or modify products, to improve plants or animals, to develop microorganisms for specific uses, to identify targets for small molecule pharmaceutical development, or to transform biological systems into useful processes and products or to develop microorganisms for specific uses.
- Electronic Device Technology** – Technologies involving microelectronics; semiconductors; electronic equipment and instrumentation; radio frequency, microwave, and millimeter electronics; optical and optic-electrical devices; and data and digital communications and imaging devices.
- Environmental Technology** – Assessment and prevention of threats or damage to human health or the environment, environmental cleanup, and the development of alternative energy sources. Activities performed to discover technological information, and technical and non-routine activities concerned with translating technological information into new or improved products, processes, techniques, formulas, inventions or software.
- Exploration** of a new use for an existing drug, device, or biological product if the new use requires separate licensing by the Federal Food and Drug Administration under 21CFR, as amended.

DESCRIBE THE EQUIPMENT, PART, OR SERVICE AND THE SPECIFIC RESEARCH AND DEVELOPMENT OR TESTING APPLICATION OF THE EQUIPMENT REQUISITIONED:

By signing below, the following personnel certify that the equipment and its applied use meet the above criteria. Penalties, if assessed, will be charged back to the department.

PRINCIPAL INVESTIGATOR OR DEPARTMENTAL RESEARCHER
SIGNATURE
NAME
TITLE
DATE

DIRECTOR OR CHAIR
SIGNATURE
NAME
TITLE
DATE

DEAN OR PROVOST
SIGNATURE
NAME
TITLE
DATE