
HOUSE BILL 2774

State of Washington

62nd Legislature

2012 Regular Session

By Representatives Kelley, Stanford, Miloscia, Green, Hasegawa, Blake, Reykdal, Ryu, Wylie, Santos, Pollet, and Darneille

Read first time 02/07/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to strengthening the review of the legislature's
2 goals for tax preferences by requiring that every new tax preference
3 provide a statement of legislative intent; adding a new section to
4 chapter 43.135 RCW; creating a new section; and providing an effective
5 date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature finds that the tax code of
8 Washington state includes tax preferences enacted to achieve a variety
9 of policy goals for the public interest. To measure the effectiveness
10 of a specific tax preference in meeting these goals, the legislature
11 has adopted processes and accountability measures, including such
12 requirements as a tax exemption study in RCW 43.06.400, review by the
13 citizen commission for performance measurement of tax preferences in
14 chapter 43.136 RCW, and taxpayer reporting in chapter 82.32 RCW.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.135 RCW
16 to read as follows:

17 (1) For any bill introduced in either the house of representatives
18 or the senate that adopts a new tax preference or expands or extends an

1 existing tax preference, the bill must include legislative intent
2 provisions, establishing the policy goals and any related metrics that
3 might provide context and/or data for purposes of reviewing the
4 preference under chapter 43.136 RCW.

5 (2)(a) Any bill that is enacted without the legislative intent
6 provisions required by subsection (1) of this section does not take
7 effect.

8 (b) Prior to the date on which a bill would take effect, but for
9 the failure of such bill to meet the requirements of subsection (1) of
10 this section:

11 (i) The joint legislative audit and review committee must provide
12 written notice to the department of revenue of the bill's failure to
13 meet the requirements of subsection (1) of this section; and

14 (ii) The department of revenue, after receiving written notice from
15 the joint legislative audit and review committee under this subsection,
16 must provide written notice that such bill did not take effect to
17 affected parties, the chief clerk of the house of representatives, the
18 secretary of the senate, the office of the code reviser, and others as
19 deemed appropriate by the department.

20 (3) For purposes of this section, "tax preference" has the same
21 meaning as in RCW 43.136.021.

22 NEW SECTION. **Sec. 3.** This act takes effect July 1, 2012.

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