
HOUSE BILL 1615

State of Washington

63rd Legislature

2013 Regular Session

By Representatives Angel, Shea, Schmick, Fagan, Kochmar, O'Ban, Hayes, Zeiger, Morrell, and Freeman

Read first time 02/01/13. Referred to Committee on Finance.

1 AN ACT Relating to providing a business and occupation tax credit
2 for businesses that hire unemployed veterans; adding a new section to
3 chapter 82.04 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW
6 to read as follows:

7 (1) A person is allowed a credit against the tax due under this
8 chapter as provided in this section. The credit equals two thousand
9 dollars for each qualified employment position filled by a veteran who
10 is receiving unemployment benefits under Title 50 RCW at the time of
11 initial employment. The employment position must be filled on or after
12 the effective date of this section.

13 (2) The department must keep a running total of all credits allowed
14 under this chapter during each fiscal year. The department may not
15 allow any credits that would cause the total to exceed five million
16 dollars in any fiscal year. If all or part of an application for
17 credit is disallowed under this subsection, the disallowed portion is
18 carried over to the next fiscal year. However, the carryover into the

1 next fiscal year is only permitted to the extent that the cap for the
2 next fiscal year is not exceeded.

3 (3) The credit may be used against any tax due under this chapter,
4 and may be carried over until used. No refunds may be granted for
5 credits under this section.

6 (4) Before claiming a credit under this section, a taxpayer must
7 certify to the department the total number of employment positions at
8 the taxpayer's business and the total number of employment positions
9 currently filled by veterans. To remain eligible for the credit
10 authorized under this section, the total number of veterans employed by
11 the taxpayer must exceed the number of veterans employed by the
12 taxpayer at the time of certification.

13 (5) The definitions in this subsection apply throughout this
14 section unless the context clearly requires otherwise.

15 (a)(i) "Qualified employment position" means a permanent full-time
16 employee employed during four consecutive full calendar quarters. For
17 seasonal employers, "qualified employment position" also includes the
18 equivalent of a full-time employee in work hours for four consecutive
19 full calendar quarters.

20 (ii) For purposes of this subsection (5)(a), "full-time" means a
21 normal work week of at least thirty-five hours.

22 (iii) Once a permanent, full-time employee has been employed, a
23 position does not cease to be a qualified employment position solely
24 due to periods in which the position goes vacant, as long as:

25 (A) The cumulative period of any vacancies in that position is not
26 more than one hundred twenty days in the four-quarter period; and

27 (B) During a vacancy, the employer is training or actively
28 recruiting a replacement permanent, full-time employee for the
29 position.

30 (b) "Veteran" means every person who has received an honorable
31 discharge or received a discharge for medical reasons with an honorable
32 record, where applicable, and who has served as a member in any branch
33 of the armed forces of the United States, including the national guard
34 and armed forces reserves, and has fulfilled his or her initial
35 military service obligation.

36 (6) A person may claim a credit under this section from October 1,
37 2013, through October 1, 2016.

1 NEW SECTION. **Sec. 2.** (1) The joint legislative audit and review
2 committee is not required to conduct a review under chapter 43.136 RCW
3 for the business and occupation tax credit established in section 1 of
4 this act.

5 (2) By December 1, 2016, and in compliance with RCW 43.01.036, the
6 department of revenue must submit a report to the legislature that
7 details the following information about the business and occupation tax
8 credit established under section 1 of this act:

9 (a) The number of taxpayers that claimed a credit under section 1
10 of this act each fiscal year; and

11 (b) The total amount of tax credit claimed each fiscal year.

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