

2 **2SSB 5304** - S AMD

3 By Senators Talmadge and Quigley

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5 On page 116, beginning on line 1, strike all of section 351 and
6 insert the following:

7 "NEW SECTION. **Sec. 351.** A new section is added to chapter 82.04
8 RCW to read as follows:

9 (1) On or after July 1, 1997, in computing tax under this chapter,
10 employers with less than twenty-five full-time or part-time employees,
11 or a combination of full and part-time employees, who comply with the
12 requirements of section 350 of this act, may have credited against the
13 amount of tax the following amount: The portion of the cost of the
14 premium contributions made on behalf of employees and their dependents
15 whose gross family incomes do not exceed limits established for
16 subsidized enrollments in the basic health plan, chapter 70.47 RCW, on
17 the basis of that sum multiplied by the percentage that amount equals
18 in relation to the total premiums due such certified health plans or
19 the basic health plan.

20 (2) The average annual tax credit per state resident under this
21 section shall not exceed four hundred dollars in 1997, and may be
22 adjusted periodically by a factor equal to the inflation allowed for
23 the uniform benefit package premium under chapter . . . , Laws of 1993
24 (this act), and established by the department of revenue in rule. The
25 department shall establish a schedule of tax credits for employees and
26 their dependents considering the income, family size, and geographic
27 area in which such employees and their dependents reside.

28 (3) The department of revenue shall, on an annual basis, advise the
29 Washington health services commission and the fiscal committees of the
30 legislature of the aggregate total of the tax credits allowed under
31 this section. The legislature shall then reimburse the general fund in
32 an amount equal to such credits by an appropriation from the health
33 services trust account."

34 On page 116, line 27, after "through" strike "351" and insert "350"

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4 On page 1, line 17 of the title, after "48.14 RCW;" strike "adding
5 a new section" and insert "adding new sections"

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