

1 **HB 1023** - H AMD to AMD (H-3267.2) **959**

2 By Representative Sheldon

3 On page 2 of the amendment, after line 25, insert:

4 "Sec. 3. RCW 82.62.030 and 1986 c 116 s 17 are each amended  
5 to read as follows:

6 (1) A person shall be allowed a credit against the tax due  
7 under chapter 82.04 RCW (~~of an amount equal to~~) as provided in  
8 this section. For an application approved before January 1, 1996,  
9 the credit shall equal one thousand dollars for each qualified  
10 employment position directly created in an eligible business  
11 project. For an application approved on or after January 1, 1996,  
12 the credit shall equal two thousand dollars for each qualified  
13 employment position directly created in an eligible business  
14 project.

15 (2) The department shall keep a running total of all credits  
16 granted under this chapter during each fiscal biennium. The  
17 department shall not allow any credits which would cause the  
18 tabulation for a biennium to exceed fifteen million dollars. If  
19 all or part of an application for credit is disallowed under this  
20 subsection, the disallowed portion shall be carried over for  
21 approval the next biennium. However, the applicant's carryover  
22 into the next biennium is only permitted if the tabulation for the  
23 next biennium does not exceed fifteen million dollars as of the  
24 date on which the department has disallowed the application.

25 (3) No recipient is eligible for tax credits in excess of  
26 three hundred thousand dollars.

27 (4) No recipient may use the tax credits to decertify a union  
28 or to displace existing jobs in any community in the state.

29 (5) No recipient may receive a tax credit on taxes which have  
30 not been paid during the taxable year.

31

1           NEW SECTION. **Sec. 4.** A new section is added to chapter 82.04  
2 RCW to read as follows:

3           (1) There may be credited against the tax imposed by this  
4 chapter, the value of state-approved, employer-provided or  
5 sponsored job training services designed to enhance the job-related  
6 performance of employees, for those businesses eligible for a tax  
7 deferral under chapter 82.60 RCW.

8           (2) The value of the state-approved, job training services  
9 provided by the employer to the employee, without charge, shall be  
10 determined by the allocation of the cost method using generally  
11 accepted accounting standards.

12           (3) The credit allowed under this section shall be limited to  
13 an amount equal to twenty percent of the value of the state-  
14 approved, job training services determined under subsection (2) of  
15 this section. The total credits allowed under this section for a  
16 business shall not exceed five thousand dollars per calendar year.

17           (4) Prior to claiming the credit under this section, the  
18 business must obtain approval of the proposed job training service  
19 from the employment security department. The employer's request  
20 for approval must include a description of the proposed job  
21 training service, how the job training will enhance the employee's  
22 performance, and the cost of the proposed job training.

23           (5) This section only applies to training in respect to  
24 eligible business projects for which an application is approved on  
25 or after October 1, 1995."

26  
27           Renumber sections consecutively, correct any internal  
28 references accordingly, and correct the title.

**EFFECT:** For businesses in distressed areas, increases B&O  
credit to \$2,000 per job ceated. Adds new credit equal to 20%  
of employee training costs.