

1 2335 AMH H5301.1

2 **HB 2335 - H AMD 1021 BEYOND SCOPE 2-27-98**

3 By Representative

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5 On page 8, after line 25, insert the following:

6 "Sec. 8. RCW 82.04.4451 and 1997 c 238 s 2 are each amended to
7 read as follows:

8 (1) In computing the tax imposed under this chapter, a credit is
9 allowed against the amount of tax otherwise due under this chapter, as
10 provided in this section. The maximum credit for a taxpayer for a
11 reporting period is (~~(thirty-five)~~) fifty dollars multiplied by the
12 number of months in the reporting period, as determined under RCW
13 82.32.045.

14 (2) When the amount of tax otherwise due under this chapter is
15 equal to or less than the maximum credit, a credit is allowed equal to
16 the amount of tax otherwise due under this chapter.

17 (3) When the amount of tax otherwise due under this chapter exceeds
18 the maximum credit, a reduced credit is allowed equal to twice the
19 maximum credit, minus the tax otherwise due under this chapter, but not
20 less than zero.

21 (4) The department may prepare a tax credit table consisting of tax
22 ranges using increments of no more than five dollars and a
23 corresponding tax credit to be applied to those tax ranges. The table
24 shall be prepared in such a manner that no taxpayer will owe a greater
25 amount of tax by using the table than would be owed by performing the
26 calculation under subsections (1) through (3) of this section. A table
27 prepared by the department under this subsection shall be used by all
28 taxpayers in taking the credit provided in this section.

29 NEW SECTION. **Sec. 9.** Section 8 of this act applies to the entire
30 period of reporting periods ending after the effective date of this
31 section."

32 Renumber the remaining sections consecutively and correct any
33 internal references and the title accordingly.

1 EFFECT: Increases the small business B&O tax credit from \$420 to
2 \$600 per year.

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