

1 **SSB 5424 - H AMDS 652**

2 By Representative B. Thomas

3 On page 1, line 7, after "a" insert "new"

4 On page 2, after line 29, insert:

5 "(d) "New business" means a business that obtained or was required  
6 to obtain a registration certificate under RCW 82.32.030 for the first  
7 time during the thirty-six months immediately preceding the date on  
8 which credit is first claimed under this section.

9 (e) "New business" does not include:

10 (i) A business that has been restructured, reorganized, or  
11 transferred, unless the majority of the activities to be conducted  
12 after restructuring, reorganization, or transferral are significantly  
13 different from the activities previously conducted;

14 (ii) A new branch location or other facility except by an existing  
15 out-of-state entity first doing business in this state;

16 (iii) A business that is substantially similar to a business  
17 currently operated, or operated within the past five years, by the same  
18 principals.

19 The department may require a new business to certify its status as  
20 part of its master business application, or with the first tax return  
21 claiming credit under this section."

22 On page 2, line 34, after "a" insert "new"

23 On page 3, after line 25, insert:

24 "(d)"New business" means a business that obtained or was required  
25 to obtain a certificate of authority under this Title for the first  
26 time during the thirty-six months immediately preceding the date on  
27 which credit is first claimed under this section.

28 (e) "New business" does not include:

29 (i) A business that has been restructured, reorganized, or  
30 transferred, unless the majority of the activities to be conducted  
31 after restructuring, reorganization, or transferral are significantly  
32 different from the activities previously conducted;

1           (ii) A new branch location or other facility except by an existing  
2 out-of-state entity first doing business in this state;

3           (iii) A business that is substantially similar to a business  
4 currently operated, or operated within the past five years, by the same  
5 principals.

6           The commissioner may require a new business to certify its status  
7 as part of its application for a certificate of authority under this  
8 Title, or with the first tax return claiming credit under this  
9 section."

**EFFECT:** Limits the tax credit to new businesses, defined as those  
which registered in this state not more than three years before  
beginning to claim the credit.