

2 **HB 2335** - S AMD - 1023
3 By Senator Hargrove

4 WITHDRAWN 3/12/98

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

6 "NEW SECTION. **Sec. 9.** The legislature finds that section 10 of
7 this act is intended to consolidate business and occupation taxes in
8 distressed areas.

9 **Sec. 10.** RCW 82.62.030 and 1997 c 366 s 5 are each amended to read
10 as follows:

11 (1) A person shall be allowed a credit against the tax due under
12 chapter 82.04 RCW as provided in this section. For an application
13 approved before January 1, 1996, the credit shall equal one thousand
14 dollars for each qualified employment position directly created in an
15 eligible business project. For an application approved on or after
16 January 1, 1996, the credit shall equal two thousand dollars for each
17 qualified employment position directly created in an eligible business
18 project. For an application approved on or after July 1, 1997, the
19 credit shall equal four thousand dollars for each qualified employment
20 position with wages and benefits greater than forty thousand dollars
21 annually that is directly created in an eligible business. For an
22 application approved on or after July 1, 1997, the credit shall equal
23 two thousand dollars for each qualified employment position with wages
24 and benefits less than or equal to forty thousand dollars annually that
25 is directly created in an eligible business.

26 (2) The department shall keep a running total of all credits
27 granted under this chapter during each fiscal year. The department
28 shall not allow any credits which would cause the tabulation to exceed
29 five million five hundred thousand dollars in fiscal year 1998 or 1999
30 or seven million five hundred thousand dollars in any fiscal year
31 thereafter. If all or part of an application for credit is disallowed
32 under this subsection, the disallowed portion shall be carried over for
33 approval the next fiscal year. However, the applicant's carryover into
34 the next fiscal year is only permitted if the tabulation for the next

1 fiscal year does not exceed the cap for that fiscal year as of the date
2 on which the department has disallowed the application.

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

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

7 (5) A business that has committed to an investment, by the time of
8 completion of the project, in land, structures, and equipment, the
9 value of which must be at least four percent of the total of the
10 equalized assessed value in the county in which the project is located,
11 is eligible for an annual credit of four thousand dollars for each of
12 the new positions. The total equalized assessed value in the county is
13 as published annually by the department in accordance with RCW
14 84.48.080. Continuing eligibility is conditioned on the investment
15 having actually occurred. The business may apply for the credit once
16 the project is complete. The business may apply each of the successive
17 seven years following its initial application under this subsection
18 The credits granted under this subsection do not affect the caps under
19 subsection (2) of this section and the fifteen percent requirement
20 under RCW 82.62.010. Application for the credit under this subsection
21 may not be accepted before the effective date of this section."

22 Renumber the sections consecutively and correct any internal
23 references accordingly.

24 **HB 2335** - S AMD - 1023
25 By Senator Hargrove

26 WITHDRAWN 3/12/98

27 On page 1, on line 3 of the title, strike "and 82.04.440," and
28 insert "82.04.440, and 82.62.030"

29 On page 1 on line 4 of the title, strike "a new section" and insert
30 "new sections"

--- END ---