

2 SSB 6470 - S AMD - 1031  
3 By Senators Hargrove and West

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5 On page 10, after line 22, insert the following:

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

8 (1) A credit is authorized against the tax otherwise due under this  
9 chapter for persons engaged in the business of the creation,  
10 distribution, wholesaling, or warehousing of canned or custom software  
11 in accordance with the terms of this section.

12 (2) To qualify for the credit, the principal place of business of  
13 the person must be located in a distressed county.

14 (3) For taxes payable on income received in the first thirty-six  
15 months in which the person is engaged in business in the distressed  
16 county, the amount of the credit shall be equal to one hundred percent  
17 of the amount of tax otherwise due under this chapter. For taxes  
18 payable on income received after the first thirty-six months in which  
19 the person is engaged in business in the distressed county, the amount  
20 of the credit shall equal ninety percent of the amount of tax otherwise  
21 due under this chapter for persons engaged in the business of the  
22 creation or distribution of canned or custom software and in the amount  
23 of seventy percent of the amount of tax otherwise due under this  
24 chapter for persons engaged in the business of the wholesaling or  
25 warehousing of canned or custom software.

26 (4) This section does not apply to the retail distribution or sale  
27 of canned or custom software.

28 (5) As used in this section, "distressed county" means any county  
29 in which the average level of unemployment for the previous three years  
30 exceeds the average state unemployment for those years by twenty  
31 percent."

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

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