
SUBSTITUTE SENATE BILL 5781

State of Washington

56th Legislature

1999 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Eide, Swecker, Fraser and Costa; by request of Department of Ecology)

Read first time 03/08/99.

1 AN ACT Relating to the commute trip reduction tax credit; amending
2 RCW 82.04.4453, 82.16.048, 82.04.4454, 82.16.049, and 82.44.180;
3 amending 1996 c 128 s 7 (uncodified); amending 1996 c 128 s 6
4 (uncodified); repealing 1997 c 457 s 514 (uncodified); providing
5 effective dates; and declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 82.04.4453 and 1996 c 128 s 1 are each amended to read
8 as follows:

9 (1)(a) Employers in this state who are taxable under this chapter
10 and provide financial incentives to their employees for ride sharing,
11 for using public transportation, or for using nonmotorized commuting
12 before June 30, (~~2000~~) 2006, shall be allowed a credit for amounts
13 paid to or on behalf of employees for ride sharing in vehicles carrying
14 two or more persons, for using public transportation, or for using
15 nonmotorized commuting, not to exceed sixty dollars per employee per
16 year. The credit shall be equal to the amount paid to or on behalf of
17 each employee multiplied by fifty percent, but may not exceed sixty
18 dollars per employee per year.

1 (b) Property managers who are taxable under this chapter and
2 provide financial incentives to persons employed at a worksite managed
3 by the property manager in this state for ride sharing, for using
4 public transportation, or for using nonmotorized commuting before June
5 30, 2006, shall be allowed a credit for amounts paid to or on behalf of
6 these persons for ride sharing in vehicles carrying two or more
7 persons, for using public transportation, or for using nonmotorized
8 commuting, not to exceed sixty dollars per person per year. A person
9 may not take a credit under this section for amounts claimed for credit
10 by other persons.

11 (c) For ride sharing in vehicles carrying two persons, the credit
12 shall be equal to the amount paid to or on behalf of each employee
13 multiplied by thirty percent, but may not exceed sixty dollars per
14 employee per year. The credit may not exceed the amount of tax that
15 would otherwise be due under this chapter.

16 (2) Application for tax credit under this chapter may only be made
17 in the form and manner prescribed in rules adopted by the department.

18 (3) The credit shall be taken not more than once quarterly and not
19 less than once annually against taxes due for the same calendar year in
20 which the amounts for which credit is claimed were paid to or on behalf
21 of employees for ride sharing, for using public transportation, or for
22 using nonmotorized commuting and must be claimed by the due date of the
23 last tax return for the calendar year in which the payment is made.

24 (4) The director shall on the 25th of February, May, August, and
25 November of each year advise the state treasurer of the amount of
26 credit taken during the preceding calendar quarter ending on the last
27 day of December, March, June, and September, respectively.

28 (5) On the first of April, July, October, and January of each year,
29 the state treasurer based upon information provided by the department
30 shall deposit to the general fund a sum equal to the dollar amount of
31 the credit provided under subsection (1) of this section (~~(from the air~~
32 ~~pollution control account to the general fund)). The reimbursement to
33 the general fund shall be drawn from the air pollution control account
34 and from other appropriations made for that purpose. Deposits from the
35 air pollution control account to the general fund must not exceed seven
36 hundred fifty thousand dollars in any calendar year for the tax credits
37 claimed under RCW 82.04.4453 and 82.16.048. Appropriations from the
38 high capacity transportation account, the central Puget Sound public
39 transportation account, or its successor, and the transportation~~

1 account to the general fund may cover additional tax credits claimed
2 under RCW 82.04.4453 and 82.16.048 up to the cap established in RCW
3 82.04.4454.

4 (6) The commute trip reduction task force shall determine the
5 effectiveness of this tax credit as part of its ongoing evaluation of
6 the commute trip reduction law and report (~~(no later than December 1,~~
7 ~~1997,~~) to the legislative transportation committee and to the fiscal
8 committees of the house of representatives and the senate. The report
9 shall include information on the amount of tax credits claimed to date
10 and recommendations on future funding for the tax credit program. The
11 report shall be incorporated into the recommendations required in RCW
12 70.94.537(5).

13 (7) Any person who knowingly makes a false statement of a material
14 fact in the application for a credit under subsection (1) of this
15 section is guilty of a gross misdemeanor.

16 (8) A person may not receive credit for amounts paid to or on
17 behalf of the same employee under both this section and RCW 82.16.048.

18 **Sec. 2.** RCW 82.16.048 and 1996 c 128 s 3 are each amended to read
19 as follows:

20 (1)(a) Employers in this state who are taxable under this chapter
21 and provide financial incentives to their employees for ride sharing,
22 for using public transportation, or for using nonmotorized commuting
23 before June 30, (~~(2000)~~) 2006, shall be allowed a credit for amounts
24 paid to or on behalf of employees for ride sharing in vehicles carrying
25 two or more persons, for using public transportation, or for using
26 nonmotorized commuting, not to exceed sixty dollars per employee per
27 year. The credit shall be equal to the amount paid to or on behalf of
28 each employee multiplied by fifty percent, but may not exceed sixty
29 dollars per employee per year.

30 (b) Property managers who are taxable under this chapter and
31 provide financial incentives to persons employed at a worksite managed
32 by the property manager in this state for ride sharing, for using
33 public transportation, or for using nonmotorized commuting before June
34 30, 2006, shall be allowed a credit for amounts paid to or on behalf of
35 these persons for ride sharing in vehicles carrying two or more
36 persons, for using public transportation, or for using nonmotorized
37 commuting, not to exceed sixty dollars per person per year. A person

1 may not take a credit under this section for amounts claimed for credit
2 by other persons.

3 (c) For ride sharing in vehicles carrying two persons, the credit
4 shall be equal to the amount paid to or on behalf of each employee
5 multiplied by thirty percent, but may not exceed sixty dollars per
6 employee per year. The credit may not exceed the amount of tax that
7 would otherwise be due under this chapter.

8 (2) Application for tax credit under this chapter may only be made
9 in the form and manner prescribed in rules adopted by the department.

10 (3) The credit shall be taken not more than once quarterly and not
11 less than once annually against taxes due for the same calendar year in
12 which the amounts for which credit is claimed were paid to or on behalf
13 of employees for ride sharing, for using public transportation, or for
14 using nonmotorized commuting and must be claimed by the due date of the
15 last tax return for the calendar year in which the payment is made.

16 (4) The director shall on the 25th of February, May, August, and
17 November of each year advise the state treasurer of the amount of
18 credit taken during the preceding calendar quarter ending on the last
19 day of December, March, June, and September, respectively.

20 (5) On the first of April, July, October, and January of each year,
21 the state treasurer based upon information provided by the department
22 shall deposit to the general fund a sum equal to the dollar amount of
23 the credit provided under subsection (1) of this section (~~(from the air~~
24 ~~pollution control account to the general fund)~~). The reimbursement to
25 the general fund shall be drawn from the air pollution control account
26 and from other appropriations made for that purpose. Deposits from the
27 air pollution control account to the general fund must not exceed seven
28 hundred fifty thousand dollars in any calendar year for the tax credits
29 claimed under RCW 82.04.4453 and 82.16.048. Appropriations from the
30 high capacity transportation account, the central Puget Sound public
31 transportation account, or its successor, and the transportation
32 account to the general fund may cover additional tax credits claimed
33 under RCW 82.04.4453 and 82.16.048 up to the cap established in RCW
34 82.04.4454.

35 (6) The commute trip reduction task force shall determine the
36 effectiveness of this tax credit as part of its ongoing evaluation of
37 the commute trip reduction law and report (~~(no later than December 1,~~
38 ~~1997,)~~) to the legislative transportation committee and to the fiscal
39 committees of the house of representatives and the senate. The report

1 shall include information on the amount of tax credits claimed to date
2 and recommendations on future funding for the tax credit program. The
3 report shall be incorporated into the recommendations required in RCW
4 70.94.537(5).

5 (7) Any person who knowingly makes a false statement of a material
6 fact in the application for a credit under subsection (1) of this
7 section is guilty of a gross misdemeanor.

8 (8) A person may not receive credit for amounts paid to or on
9 behalf of the same employee under both this section and RCW 82.04.4453.

10 **Sec. 3.** RCW 82.04.4454 and 1996 c 128 s 2 are each amended to read
11 as follows:

12 (1) The department shall keep a running total of all credits
13 granted under RCW 82.04.4453 and 82.16.048 during each calendar year,
14 and shall disallow any credits that would cause the tabulation for any
15 calendar year to exceed ~~((one))~~ two million five hundred thousand
16 dollars.

17 (2) No ~~((employer shall be))~~ person is eligible for tax credits
18 under RCW 82.04.4453 and 82.16.048 in excess of one hundred thousand
19 dollars in any calendar year.

20 (3) No ~~((employer shall be))~~ person is eligible for tax credits
21 under RCW 82.04.4453 in excess of the amount of tax that would
22 otherwise be due under this chapter.

23 (4) No portion of an application for credit disallowed under this
24 section may be carried back or carried forward.

25 **Sec. 4.** RCW 82.16.049 and 1996 c 128 s 4 are each amended to read
26 as follows:

27 (1) The department shall keep a running total of all credits
28 granted under RCW 82.04.4453 and 82.16.048 during each calendar year,
29 and shall disallow any credits that would cause the tabulation for any
30 calendar year to exceed one million five hundred thousand dollars.

31 (2) No ~~((employer shall be))~~ person is eligible for tax credits
32 under RCW 82.04.4453 and 82.16.048 in excess of one hundred thousand
33 dollars in any calendar year.

34 (3) No ~~((employer shall be))~~ person is eligible for tax credits
35 under RCW 82.16.048 in excess of the amount of tax that would otherwise
36 be due under this chapter.

1 (4) No portion of an application for credit disallowed under this
2 section may be carried back or carried forward.

3 **Sec. 5.** RCW 82.44.180 and 1998 c 321 s 41 (Referendum Bill No. 49)
4 are each amended to read as follows:

5 (1) The transportation fund is created in the state treasury.
6 Revenues under RCW 82.44.110 and 82.50.510 shall be deposited into the
7 fund as provided in those sections.

8 Moneys in the fund may be spent only after appropriation.
9 Expenditures from the fund may be used only for transportation purposes
10 and activities and operations of the Washington state patrol not
11 directly related to the policing of public highways and that are not
12 authorized under Article II, section 40 of the state Constitution.

13 (2) There is hereby created the central Puget Sound public
14 transportation account within the transportation fund. Moneys
15 deposited into the account under RCW 82.44.150(2)(b) shall be
16 appropriated to the transportation improvement board and allocated by
17 the transportation improvement board to public transportation projects
18 within the region from which the funds are derived, solely for:

19 (a) Planning;

20 (b) Development of capital projects;

21 (c) Development of high capacity transportation systems as defined
22 in RCW 81.104.015;

23 (d) Development of high occupancy vehicle lanes and related
24 facilities as defined in RCW 81.100.020; ((and))

25 (e) Public transportation system contributions required to fund
26 projects under federal programs and those approved by the
27 transportation improvement board from other fund sources; and

28 (f) Reimbursement to the general fund of tax credits authorized
29 under RCW 82.04.4453 and 82.16.048, subject to appropriation.

30 (3) There is hereby created the public transportation systems
31 account within the transportation fund. Moneys deposited into the
32 account under RCW 82.44.150(2)(c) shall be appropriated to the
33 transportation improvement board and allocated by the transportation
34 improvement board to public transportation projects submitted by the
35 public transportation systems from which the funds are derived, solely
36 for:

37 (a) Planning;

38 (b) Development of capital projects;

1 (c) Development of high capacity transportation systems as defined
2 in RCW 81.104.015;

3 (d) Development of high occupancy vehicle lanes and related
4 facilities as defined in RCW 81.100.020;

5 (e) Other public transportation system-related roadway projects on
6 state highways, county roads, or city streets; and

7 (f) Public transportation system contributions required to fund
8 projects under federal programs and those approved by the
9 transportation improvement board from other fund sources.

10 **Sec. 6.** 1996 c 128 s 7 (uncodified) is amended to read as follows:

11 (1) This act takes effect July 1, 1996.

12 (2) This act expires December 31, (~~2000~~) 2006.

13 **Sec. 7.** 1996 c 128 s 6 (uncodified) is amended to read as follows:

14 This act shall expire December 31, (~~2000~~) 2006.

15 NEW SECTION. **Sec. 8.** 1997 c 457 s 514 (uncodified) is repealed.

16 NEW SECTION. **Sec. 9.** This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of the
18 state government and its existing public institutions. Sections 1
19 through 7 of this act take effect July 1, 1999. Section 8 of this act
20 takes effect June 30, 1999.

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