

# SENATE BILL REPORT

## SB 5169

---

---

As of February 5, 2001

**Title:** An act relating to tax incentives to encourage telework.

**Brief Description:** Creating tax incentives for telework.

**Sponsors:** Senators Jacobsen, Finkbeiner and Eide.

**Brief History:**

**Committee Activity:** Transportation: 2/5/01.

---

### SENATE COMMITTEE ON TRANSPORTATION

**Staff:** Jennifer Ziegler (786-7316)

**Background:** "Telework" is a work arrangement in which employees are regularly scheduled to perform the normal duties and responsibilities of their positions at locations other than the traditional workplace, through the use of computers or telecommunications. Telework can occur at an employee's home or at an alternate work site set up by the employer.

**Summary of Bill:** Employers may receive a credit against the business and occupation tax or the public utilities tax for telework expenditures, including telework equipment, installation costs, and training. Total credits claimed by an employer must not exceed \$20,000 for any tax year.

Application for credits must be made before making a telework expenditure. The Department of Revenue must approve or deny applications for tax credits. Total credits granted by the department in a calendar year must not exceed \$3 million.

Telework equipment includes computers, computer-related hardware, fax machines, and one-time expenditures for installation of telecommunications access lines.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on October 1, 2001.