

SENATE BILL REPORT

SB 6711

As Reported By Senate Committee On:
Health & Long-Term Care, February 6, 2002

Title: An act relating to providing the necessary revenues for the support of health care for the citizens of Washington state.

Brief Description: Providing the necessary revenues for the support of health care for the citizens of Washington state.

Sponsors: Senators Thibaudeau, Fairley, Jacobsen, Kohl-Welles and Kline.

Brief History:

Committee Activity: Health & Long-Term Care: 1/30/02, 2/6/02 [DP, DNP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Thibaudeau, Chair; Franklin, Vice Chair; Costa, Fraser and Winsley.

Minority Report: Do not pass.

Signed by Senator Parlette.

Staff: Tanya Karwaki (786-7447)

Background: Health care for Washington citizens is chronically underfunded. It has been suggested that a state income tax may provide sufficient resources for health care services.

Summary of Bill: The Legislature states its intent to provide the necessary revenues for the support of health care for Washington citizens.

An income tax is imposed on Washington residents and businesses. The tax is imposed at the rate of 1.0 percent on all taxable income, subject to a \$100,000 deduction. All revenue generated by this tax is credited to the health services account.

The Department of Revenue is authorized to adopt rules regarding the administration and enforcement of this law. The Board of Tax Appeals has jurisdiction to decide appeals relating to this income tax.

Business and occupation taxes are repealed.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill provides a means of funding health care for the citizens of Washington. A flat rate income tax is imposed on Washington residents and businesses and the revenue is used only for health care.

Testimony Against: None.

Testified: Former Senator Wojahn.