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**ENGROSSED SUBSTITUTE SENATE BILL 6008**

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**State of Washington**

**57th Legislature**

**2001 Regular Session**

**By** Senate Committee on Ways & Means (originally sponsored by Senators Eide, Finkbeiner, Haugen, Kline, Winsley and McAuliffe; by request of Office of Financial Management)

READ FIRST TIME 03/27/01.

1       AN ACT Relating to commute trip reduction incentives; adding a new  
2 section to chapter 70.94 RCW; adding a new chapter to Title 82 RCW;  
3 creating new sections; repealing RCW 82.04.4453, 82.04.4454, 82.16.048,  
4 and 82.16.049; prescribing penalties; providing an effective date; and  
5 providing expiration dates.

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

7       NEW SECTION.   **Sec. 1.**   The definitions in this section apply  
8 throughout this chapter and section 8 of this act unless the context  
9 clearly requires otherwise.

10       (1) "Public agency" means any county, city, or other local  
11 government agency or any state government agency, board, or commission.

12       (2) "Public transportation" means the same as "public  
13 transportation service" as defined in RCW 36.57A.010 and includes  
14 passenger services of the Washington state ferries.

15       (3) "Nonmotorized commuting" means commuting to and from the  
16 workplace by an employee by walking or running or by riding a bicycle  
17 or other device not powered by a motor.

1 (4) "Ride sharing" means the same as "commuter ride sharing" as  
2 defined in RCW 46.74.010, including ride sharing on Washington state  
3 ferries.

4 (5) "Car sharing" means a membership program intended to offer an  
5 alternative to car ownership under which persons or entities that  
6 become members are permitted to use vehicles from a fleet on an hourly  
7 basis.

8 NEW SECTION. **Sec. 2.** (1) Employers in this state who are taxable  
9 under chapter 82.04 or 82.16 RCW and provide financial incentives to  
10 their own or other employees for ride sharing, for using public  
11 transportation, for using car sharing, or for using nonmotorized  
12 commuting before June 30, 2012, are allowed a credit against taxes  
13 payable under chapter 82.04 or 82.16 RCW for amounts paid to or on  
14 behalf of employees for ride sharing in vehicles carrying two or more  
15 persons, for using public transportation, for using car sharing, or for  
16 using nonmotorized commuting, not to exceed sixty dollars per employee  
17 per year.

18 (2) Property managers who are taxable under chapter 82.04 or 82.16  
19 RCW and provide financial incentives to persons employed at a worksite  
20 in this state managed by the property manager for ride sharing, for  
21 using public transportation, for using car sharing, or for using  
22 nonmotorized commuting before June 30, 2012, are allowed a credit  
23 against taxes payable under chapter 82.04 or 82.16 RCW for amounts paid  
24 to or on behalf of these persons for ride sharing in vehicles carrying  
25 two or more persons, for using public transportation, for using car  
26 sharing, or for using nonmotorized commuting, not to exceed sixty  
27 dollars per person per year. A person may not take a credit under this  
28 section for amounts claimed for credit by other persons.

29 (3) The credit under this section is equal to the amount paid to or  
30 on behalf of each employee multiplied by fifty percent, but may not  
31 exceed sixty dollars per employee per year. The credit may not exceed  
32 the amount of tax that would otherwise be due under chapters 82.04 or  
33 82.16 RCW.

34 (4) A person may not receive credit under this section for amounts  
35 paid to or on behalf of the same employee under both chapters 82.04 and  
36 82.16 RCW.

1        NEW SECTION.    **Sec. 3.**    (1) Application for tax credit under section  
2 2 of this act may only be made in the form and manner prescribed in  
3 rules adopted by the department.

4        (2) The credit under this section must be taken against taxes due  
5 for the same calendar year in which the amounts for which credit is  
6 claimed were paid to or on behalf of employees for ride sharing, for  
7 using public transportation, for using car sharing, or for using  
8 nonmotorized commuting and must be claimed by the due date of the last  
9 tax return for the calendar year in which the payment is made.

10       (3) Any person who knowingly makes a false statement of a material  
11 fact in the application for a credit under section 2 of this act is  
12 guilty of a gross misdemeanor.

13       NEW SECTION.    **Sec. 4.**    (1) The department shall keep a running  
14 total of all credits granted under section 2 of this act and all grants  
15 provided under section 8 of this act during each calendar year. The  
16 department shall disallow any credits that would cause the tabulation  
17 for credits and grants in any legislative biennium, or portion thereof,  
18 to exceed the following levels: 2001-2003 - two million dollars; 2003-  
19 2005 - three million dollars; 2005-2007 - five million dollars; 2007-  
20 2009 - eight million dollars; 2009-2011 - eight million dollars; 2012 -  
21 four million dollars.

22       (2) No person is eligible for tax credits under section 2 of this  
23 act in excess of one hundred thousand dollars in any calendar year.

24       (3) No person is eligible for tax credits under section 2 of this  
25 act in excess of the amount of tax that would otherwise be due under  
26 chapter 82.04 or 82.16 RCW.

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

29       (5) No person is eligible for both grants provided under section 8  
30 of this act and tax credits under section 2 of this act within the same  
31 calendar year.

32       NEW SECTION.    **Sec. 5.**    (1) The director shall on the 25th of  
33 February, May, August, and November of each year advise the state  
34 treasurer of the amount of credit taken under section 2 of this act  
35 during the preceding calendar quarter ending on the last day of  
36 December, March, June, and September, respectively.

1 (2) On the 1st of April, July, October, and January of each year,  
2 the state treasurer based upon information provided by the department  
3 shall deposit to the general fund a sum equal to the dollar amount of  
4 the credit provided under section 2 of this act from the multimodal  
5 transportation account.

6 NEW SECTION. **Sec. 6.** The commute trip reduction task force shall  
7 determine the effectiveness of the tax credit under section 2 of this  
8 act as part of its ongoing evaluation of the commute trip reduction law  
9 and report to the legislative transportation committee and to the  
10 fiscal committees of the house of representatives and the senate. The  
11 report must include information on the amount of tax credits claimed to  
12 date and recommendations on future funding for the tax credit program.  
13 The report must be incorporated into the recommendations required in  
14 RCW 70.94.537(5).

15 NEW SECTION. **Sec. 7.** This chapter expires June 30, 2012.

16 NEW SECTION. **Sec. 8.** A new section is added to chapter 70.94 RCW  
17 to read as follows:

18 (1) The department of transportation shall administer a grant  
19 program for public agencies, nonprofit organizations, developers, and  
20 property managers who provide financial incentives for ride sharing in  
21 vehicles carrying two or more persons, for using public transportation,  
22 for using car sharing, or for using nonmotorized commuting, before June  
23 30, 2012, to their own or other employees.

24 (2) Public agencies, nonprofit organizations, developers, and  
25 property managers are not eligible within the same calendar year for  
26 grants provided under this section and credits under section 2 of this  
27 act.

28 (3) The amount of the grant is equal to the amount paid to or on  
29 behalf of each employee multiplied by fifty percent, but may not exceed  
30 sixty dollars per employee per year.

31 (4) No public agency, nonprofit organization, developer, or  
32 property manager is eligible for grants under this section in excess of  
33 one hundred thousand dollars in any calendar year.

34 (5) The department of transportation shall report to the department  
35 of revenue by the 15th day of each month the aggregate monetary amount

1 of grants provided under this section in the prior month and the  
2 identity of the recipients of those grants.

3 (6) The total of credits granted under section 2 of this act and  
4 grants provided under this section may not exceed two million dollars  
5 between the years 2001 and 2003; three million dollars between 2003 and  
6 2005; five million dollars between 2005 and 2007; eight million dollars  
7 between 2007 and 2009; eight million dollars between 2009 and 2011; and  
8 four million dollars in 2012. The department of revenue shall notify  
9 the department of transportation when this limitation has been reached.

10 (7) The source of funds for this grant program is the multimodal  
11 transportation account.

12 (8) This section expires June 30, 2012.

13 NEW SECTION. **Sec. 9.** The following acts or parts of acts are each  
14 repealed:

15 (1) RCW 82.04.4453 (Credit--Ride-sharing, public transportation, or  
16 nonmotorized commuting incentives--Penalty--Report to legislature) and  
17 1999 c 402 s 1, 1996 c 128 s 1, & 1994 c 270 s 2;

18 (2) RCW 82.04.4454 (Credit--Ride-sharing, public transportation, or  
19 nonmotorized commuting incentives--Ceiling) and 1999 c 402 s 3, 1996 c  
20 128 s 2, & 1994 c 270 s 3;

21 (3) RCW 82.16.048 (Credit--Ride-sharing, public transportation, or  
22 nonmotorized commuting incentives--Penalty--Report to legislature) and  
23 1999 c 402 s 2, 1996 c 128 s 3, & 1994 c 270 s 4; and

24 (4) RCW 82.16.049 (Credit--Ride-sharing, public transportation, or  
25 nonmotorized commuting incentives--Ceiling) and 1999 c 402 s 4, 1996 c  
26 128 s 4, & 1994 c 270 s 5.

27 NEW SECTION. **Sec. 10.** Sections 1 through 7 of this act constitute  
28 a new chapter in Title 82 RCW.

29 NEW SECTION. **Sec. 11.** The code reviser shall place cross-  
30 reference sections to chapter 82.-- RCW (sections 1 through 7 of this  
31 act) in chapters 82.04 and 82.16 RCW.

32 NEW SECTION. **Sec. 12.** This act takes effect January 1, 2003.

33 NEW SECTION. **Sec. 13.** If specific funding for the purposes of  
34 this act, referencing this act by bill or chapter number, is not

1 provided by legislative appropriation to the multimodal transportation  
2 account by December 31, 2002, this act is null and void.

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