
HOUSE BILL 2228

State of Washington 58th Legislature 2003 Regular Session

By Representatives Murray, Wallace, Cooper, Clibborn, Simpson,
Rockefeller, Hudgins and Hankins

Read first time 03/26/2003. Referred to Committee on Transportation.

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 a contingent effective
5 date; and providing expiration dates.

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

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

18 (4) "Ride sharing" means the same as "flexible commuter ride

1 sharing" as defined in RCW 46.74.010, including ride sharing on
2 Washington state ferries.

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

7 NEW SECTION. **Sec. 2.** TAX CREDITS--BUSINESS AND OCCUPATION AND
8 PUBLIC UTILITY TAXES. (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, 2013, are allowed a credit against taxes
13 payable under chapters 82.04 and 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, 2013, are allowed a credit
23 against taxes payable under chapters 82.04 and 82.16 RCW for amounts
24 paid to or on behalf of these persons for ride sharing in vehicles
25 carrying two or more persons, for using public transportation, for
26 using car sharing, or for using nonmotorized commuting, not to exceed
27 sixty dollars per person per year.

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

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

36 (5) A person may not take a credit under this section for amounts
37 claimed for credit by other persons.

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

4 (2) The credit under this section shall 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.** TAX CREDIT LIMITATIONS. (1) The department
14 shall keep a running total of all credits granted under section 2 of
15 this act and all grants provided under section 9 of this act during
16 each calendar year. The department shall disallow any credits that
17 would cause the tabulation for credits in any calendar year to exceed
18 two million two hundred twenty-five thousand dollars.

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

21 (3) No person is eligible for tax credits under section 2 of this
22 act in excess of the amount of tax that would otherwise be due under
23 chapters 82.04 and 82.16 RCW.

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

26 (5) No person is eligible for both grants provided under section 9
27 of this act and tax credits under section 2 of this act within the same
28 calendar year.

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

34 (2) On the last day of March, June, September, and December of each
35 year, the state treasurer based upon information provided by the

1 department shall deposit to the general fund a sum equal to the dollar
2 amount of the credit provided under section 2 of this act from the
3 multimodal transportation account.

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

14 NEW SECTION. **Sec. 7.** ADMINISTRATION. Chapter 82.32 RCW applies
15 to the administration of this chapter.

16 NEW SECTION. **Sec. 8.** EXPIRATION. This chapter expires June 30,
17 2013.

18 NEW SECTION. **Sec. 9.** A new section is added to chapter 70.94 RCW
19 to read as follows:

20 (1) The department of transportation shall administer a grant
21 program for public agencies, nonprofit organizations, developers, and
22 property managers who provide financial incentives for ride sharing in
23 vehicles carrying two or more persons, for using public transportation,
24 for using car sharing, or for using nonmotorized commuting, before June
25 30, 2013, to their own or other employees.

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

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

33 (4) No public agency, nonprofit organization, developer, or

1 property manager is eligible for grants under this section in excess of
2 one hundred thousand dollars in any calendar year.

3 (5) No more than seven hundred fifty thousand dollars in grants may
4 be awarded in any calendar year.

5 (6) The department of transportation shall report to the department
6 of revenue by the 15th day of each month the aggregate monetary amount
7 of grants provided under this section in the prior month and the
8 identity of the recipients of those grants.

9 (7) The total of credits granted under section 2 of this act and
10 grants provided under this section may not exceed three million dollars
11 in any calendar year. The department of revenue shall notify the
12 department of transportation when this limitation has been reached.
13 The department of transportation may not award additional grants when
14 the total of credits and grants equals three million dollars in any
15 calendar year.

16 (8) The source of funds for this grant program is the multimodal
17 transportation account.

18 (9) This section expires December 31, 2013.

19 NEW SECTION. **Sec. 10.** The following acts or parts of acts are
20 each repealed:

21 (1) RCW 82.04.4453 (Credit--Ride-sharing, public transportation, or
22 nonmotorized commuting incentives--Penalty--Report to legislature) and
23 1999 c 402 s 1, 1996 c 128 s 1, & 1994 c 270 s 2;

24 (2) RCW 82.04.4454 (Credit--Ride-sharing, public transportation, or
25 nonmotorized commuting incentives--Ceiling) and 1999 c 402 s 3, 1996 c
26 128 s 2, & 1994 c 270 s 3;

27 (3) RCW 82.16.048 (Credit--Ride-sharing, public transportation, or
28 nonmotorized commuting incentives--Penalty--Report to legislature) and
29 1999 c 402 s 2, 1996 c 128 s 3, & 1994 c 270 s 4; and

30 (4) RCW 82.16.049 (Credit--Ride-sharing, public transportation, or
31 nonmotorized commuting incentives--Ceiling) and 1999 c 402 s 4, 1996 c
32 128 s 4, & 1994 c 270 s 5.

33 NEW SECTION. **Sec. 11.** Sections 1 through 8 of this act constitute
34 a new chapter in Title 82 RCW.

1 NEW SECTION. **Sec. 12.** The code reviser shall place cross-
2 reference sections to chapter 82.-- RCW (sections 1 through 8 of this
3 act) in chapters 82.04 and 82.16 RCW.

4 NEW SECTION. **Sec. 13.** This act takes effect January 1, 2004, but
5 only if legislation that provides additional revenues, excluding
6 transfers, for the multimodal transportation account is in effect on
7 that date.

8 NEW SECTION. **Sec. 14.** Captions used in this act are not part of
9 the law.

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