

6304

Sponsor(s): Senators Brandland, Parlette, Spanel, Morton, Doumit, T. Sheldon and Rasmussen

Brief Description: Providing tax relief for aluminum smelters.

**SB 6304 - DIGEST**

(SUBSTITUTED FOR - SEE 2ND SUB)

Provides tax relief for aluminum smelters.

Declares that upon every person who is an aluminum smelter engaging within this state in the business of manufacturing aluminum; as to such persons the amount of tax with respect to such business shall, in the case of manufacturers, be equal to the value of the product manufactured, or in the case of processors for hire, be equal to the gross income of the business, multiplied by the rate of .2904 percent.

Declares that upon every person who is an aluminum smelter engaging within this state in the business of making sales at wholesale of aluminum manufactured by that person, as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds of sales of the aluminum multiplied by the rate of .2904 percent.

Expires January 1, 2007.

Requires that by December 1, 2005, and by December 1, 2006, the fiscal committees of the house of representatives and the senate, in consultation with the department, shall report to the legislature on the effectiveness of the smelter tax incentives. The report shall measure the effect of the smelter tax incentives on job retention for Washington residents, and other factors as the committees select. The reports shall include a discussion of principles to apply in evaluating whether the legislature should reenact any or all of the smelter tax incentives.