
HOUSE BILL 1869

State of Washington 59th Legislature 2005 Regular Session

By Representatives O'Brien, Miloscia, Kessler, Ericks and Chase

Read first time 02/09/2005. Referred to Committee on Economic Development, Agriculture & Trade.

1 AN ACT Relating to a business and occupation tax deduction for new
2 businesses; adding a new section to chapter 82.04 RCW; and providing an
3 effective date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW
6 to read as follows:

7 (1) A new business may take deductions from the measure of tax
8 during the first thirty-six months of operation of the new business.
9 The deduction is equal to eight thousand three hundred thirty-three
10 dollars, multiplied by the number of months in the reporting period.

11 (2) As used in this section:

12 (a) "New business" means a business that obtains or is required to
13 obtain a registration certificate under RCW 82.32.030 for the first
14 time. "New business" also includes a branch location or other facility
15 established after the effective date of this section by an entity doing
16 business in this state;

17 (b) "New business" does not include:

18 (i) A business that has been restructured, reorganized, or

1 transferred, if the activities to be conducted after restructuring,
2 reorganization, or transferral are substantially similar to the
3 activities previously conducted; or

4 (ii) A business that is substantially similar to a business
5 currently operated, or operated within the past five years, by the same
6 principals.

7 NEW SECTION. **Sec. 2.** This act takes effect October 1, 2005.

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