
Finance Committee

HB 1557

Brief Description: Providing a business and occupation tax credit for the purchase of alternative power generation devices to operate gasoline service station pumps.

Sponsors: Representatives Rodne, Lovick, Haler, Springer, Strow, Sells, Jarrett, Hurst, Linville, Ormsby, Hudgins and Dunn.

Brief Summary of Bill

- Allows a business and occupation tax credit for gasoline service stations equal to 50 percent of the cost for an electrical generator up to a maximum credit of \$15,000.

Hearing Date: 2/6/07

Staff: Rick Peterson (786-7150).

Background:

Washington's major business tax is the business and occupation (B&O) tax. The B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. Revenues are deposited in the State General Fund. A business may have more than one B&O tax rate, depending on the types of activities conducted. There are a number of different rates. The main rates are: 0.471 percent for retailing; 0.484 percent for manufacturing, wholesaling, and extracting; and 1.5 percent for professional and personal services, and activities not classified elsewhere.

Summary of Bill:

A B&O tax credit is allowed for gasoline service stations equal to 50 percent of the cost for an electrical generator. The credit cannot exceed \$15,000.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on August 1, 2007.

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