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HOUSE BILL 1126

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State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Hurst and Wallace

Read first time 01/14/09. Referred to Committee on Finance.

1            AN ACT Relating to business and occupation tax credits for  
2 employers of certain military personnel; and adding a new section to  
3 chapter 82.04 RCW.

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) In computing the tax due under this chapter, a credit is  
8 allowed as follows:

9            (i) For a qualified entity with an employee who is a member of the  
10 Washington national guard or Washington state guard called to active  
11 service for an emergency declared by the governor under chapter 43.06  
12 RCW, a credit of one percent of the tax due under this chapter for the  
13 period that the employee is in active service for the purpose of such  
14 emergency.

15            (ii) For a qualified entity with an employee who is a member of the  
16 Washington national guard called to active service for a Title 10  
17 U.S.C. deployment, a credit of five percent of the tax due under this  
18 chapter for the period that the employee is deployed.

1 (b) "Qualified entity" means a small business as defined in RCW  
2 19.85.020, with an employee who is a member of the Washington state  
3 guard or Washington national guard, and who retains the employee for a  
4 period of at least six months after the qualified period.

5 (2) A person taking a tax credit under this section must make an  
6 annual report to the department. The report must be in a letter form  
7 and must include documentation showing the status of the employee and  
8 notice of the call to active service or deployment.

9 (3) No credit may be taken under this section for a call to active  
10 service or deployment prior to the effective date of this act. No  
11 refunds may be granted for any credits due under this section.

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