
HOUSE BILL 2833

State of Washington

61st Legislature

2010 Regular Session

By Representatives Williams, White, Moeller, Green, Nelson, Hasegawa, Takko, Dunshee, Sells, Ormsby, Conway, Appleton, Dickerson, Chase, Van De Wege, Hunt, and Simpson

Read first time 01/14/10. Referred to Committee on Finance.

1 AN ACT Relating to requiring aerospace tax incentive claimants to
2 periodically reaffirm their commitment to the economic well-being of
3 Washington; amending RCW 82.32.545 and 82.32.600; and creating a new
4 section.

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

6 **Sec. 1.** RCW 82.32.545 and 2008 c 81 s 10 are each amended to read
7 as follows:

8 (1) The legislature finds that accountability and effectiveness are
9 important aspects of setting tax policy. In order to make policy
10 choices regarding the best use of limited state resources the
11 legislature needs information on how a tax incentive is used.

12 (2)(a) A person who reports taxes under RCW 82.04.260(11),
13 82.04.250(3), or 82.04.290(3), or who claims an exemption or credit
14 under RCW 82.04.4461, 82.08.980, 82.12.980, 82.29A.137, 84.36.655, and
15 82.04.4463 (~~shall~~) must make an annual report to the department
16 detailing employment, wages, and employer-provided health and
17 retirement benefits for employment positions in Washington. However,
18 persons engaged in manufacturing commercial airplanes or components of
19 such airplanes may report employment, wage, and benefit information per

1 job at the manufacturing site. The report (~~shall~~) may not include
2 names of employees. The report shall also detail employment by the
3 total number of full-time, part-time, and temporary positions. The
4 first report filed under this subsection (~~shall~~) must include
5 employment, wage, and benefit information for the twelve-month period
6 immediately before first use of a preferential tax rate under RCW
7 82.04.260(11), 82.04.250(3), or 82.04.290(3), or tax exemption or
8 credit under RCW 82.04.4461, 82.08.980, 82.12.980, 82.29A.137,
9 84.36.655, and 82.04.4463, unless a survey covering this twelve-month
10 period was filed as required by a statute repealed by chapter 81, Laws
11 of 2008. The report is due by March 31st following any year in which
12 a preferential tax rate under RCW 82.04.260(11), 82.04.250(3), or
13 82.04.290(3), is used, or tax exemption or credit under RCW 82.04.4461,
14 82.08.980, 82.12.980, 82.29A.137, 84.36.655, and 82.04.4463 is taken.
15 This information is not subject to the confidentiality provisions of
16 RCW 82.32.330 and may be disclosed to the public upon request.

17 (b) In addition to the requirements under (a) of this subsection,
18 an annual report under this section must include a signed declaration
19 by an authorized employee or other agent of the person claiming a tax
20 preference provided in (a) of this subsection. The declaration must be
21 in substantially the following form: "I, the undersigned, affirm that
22 I am authorized to claim a tax preference listed under RCW
23 82.32.545(2)(a) on behalf of [full name of business] . . . I affirm
24 that the . . . [full name of business] . . . expresses a commitment to
25 the economic well-being of residents in the state of Washington." The
26 electronic signature for the declaration shall be in a form and manner
27 required by the department. The employee or other agent signing the
28 declaration must be an individual primarily responsible for the
29 preparation of the person's excise tax returns or annual report. The
30 declaration must also be included on excise tax returns as required
31 under RCW 82.32.600(3).

32 (c) If a person fails to submit an annual report under (a) of this
33 subsection, which includes the signed declaration under (b) of this
34 subsection, by the due date of the report, the department (~~shall~~)
35 must declare the amount of taxes exempted or credited, or reduced in
36 the case of the preferential business and occupation tax rate, for that
37 year to be immediately due and payable. Excise taxes payable under
38 this subsection are subject to interest but not penalties, as provided

1 under this chapter. This information is not subject to the
2 confidentiality provisions of RCW 82.32.330 and may be disclosed to the
3 public upon request.

4 (3) By November 1, 2010, and by November 1, 2023, the fiscal
5 committees of the house of representatives and the senate, in
6 consultation with the department, (~~shall~~) must report to the
7 legislature on the effectiveness of chapter 1, Laws of 2003 2nd sp.
8 sess., chapter 177, Laws of 2006, and chapter 81, Laws of 2008 in
9 regard to keeping Washington competitive. The report (~~shall~~) must
10 measure the effect of these laws on job retention, net jobs created for
11 Washington residents, company growth, diversification of the state's
12 economy, cluster dynamics, and other factors as the committees select.
13 The reports (~~shall~~) must include a discussion of principles to apply
14 in evaluating whether the legislature should reenact any or all of the
15 tax preferences in chapter 1, Laws of 2003 2nd sp. sess., chapter 177,
16 Laws of 2006, and chapter 81, Laws of 2008.

17 **Sec. 2.** RCW 82.32.600 and 2009 c 461 s 8 are each amended to read
18 as follows:

19 (1) Persons required to file annual surveys or annual reports under
20 RCW 82.04.4452, 82.32.5351, 82.32.545, 82.32.610, 82.32.630, 82.82.020,
21 82.32.632, or 82.74.040 must electronically file with the department
22 all surveys, reports, returns, and any other forms or information the
23 department requires in an electronic format as provided or approved by
24 the department. As used in this section, "returns" has the same
25 meaning as "return" in RCW 82.32.050.

26 (2) Any survey, report, return, or any other form or information
27 required to be filed in an electronic format under subsection (1) of
28 this section is not filed until received by the department in an
29 electronic format, and if required, contains the signed declaration
30 under subsection (3) of this section.

31 (3) A person required to file an annual report under RCW 82.32.545
32 must include the signed declaration described in RCW 82.32.545(2)(b) on
33 each return electronically filed with the department. A person may not
34 claim a tax preference listed under RCW 82.32.545(2)(a) for the
35 reporting period unless the return includes the signed declaration.

36 (4) The department may waive the electronic filing requirement in
37 subsection (1) of this section for good cause shown.

1 NEW SECTION. **Sec. 3.** This act applies to excise tax returns and
2 annual reports filed on or after July 1, 2009.

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