
HOUSE BILL 3123

State of Washington

61st Legislature

2010 Regular Session

By Representative Hope

Read first time 01/26/10. Referred to Committee on Finance.

1 AN ACT Relating to providing a business and occupation tax credit
2 for employers who pay livable wage rates; adding new sections to
3 chapter 82.04 RCW; and providing an 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) In computing the tax imposed under this chapter, a credit is
8 allowed for wages paid to one or more employees at a rate that equals
9 or exceeds the livable wage rate for the county in which the employee
10 or employees are employed.

11 (2) The total amount of credits taken under this section in any
12 year by a person may not exceed fifteen percent of the taxes otherwise
13 due under this chapter.

14 (3) Credit under this section must be earned, and claimed against
15 taxes due under this chapter, for the tax reporting period in which the
16 wages are paid by the person claiming credit under this section. The
17 credit may not exceed the tax otherwise due under this chapter for the
18 tax reporting period. Unused credit may be carried over and used in

1 subsequent tax reporting periods. No refunds may be granted for
2 credits under this section.

3 (4) For purposes of this section, "livable wage rate" means the
4 livable wage rate for 2009 for the county in which the employee is
5 employed, as determined by the Washington state institute for public
6 policy in section 2 of this act.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04 RCW
8 to read as follows:

9 The Washington state institute for public policy must conduct a
10 study to determine the livable wage rate for 2009 for each county. The
11 institute must submit its findings to the governor, the legislature,
12 and the department by December 1, 2010.

13 NEW SECTION. **Sec. 3.** Section 1 of this act takes effect January
14 1, 2011.

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