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SENATE BILL 6153

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State of Washington

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By Senators Zarelli, Stevens, Becker, Delvin, Honeyford, Swecker, Schoesler, Hewitt, Parlette, Carrell, Brandland, and King

Read first time 04/10/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to replacing the tax credit for the motion picture  
2 competitiveness program with a tax credit for the program for supported  
3 employment services for individuals with developmental disabilities as  
4 they transition from high school to the workforce; amending RCW  
5 82.04.4489; and providing an effective date.

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

7 **Sec. 1.** RCW 82.04.4489 and 2008 c 85 s 3 are each amended to read  
8 as follows:

9 (1) Subject to the limitations in this section, a credit is allowed  
10 against the tax imposed under this chapter for contributions made by a  
11 person to ~~((a Washington motion picture competitiveness program))~~  
12 program for supported employment services for individuals with  
13 developmental disabilities as they transition from high school to the  
14 workforce.

15 (2) The person must make the contribution before claiming a credit  
16 authorized under this section. Credits earned under this section may  
17 be claimed against taxes due for the calendar year in which the  
18 contribution is made. The amount of credit claimed for a reporting  
19 period shall not exceed the tax otherwise due under this chapter for

1 that reporting period. No person may claim more than one million  
2 dollars of credit in any calendar year, including credit carried over  
3 from a previous calendar year. No refunds may be granted for any  
4 unused credits.

5 (3) The maximum credit that may be earned for each calendar year  
6 under this section for a person is limited to the lesser of one million  
7 dollars or an amount equal to one hundred percent of the contributions  
8 made by the person to a program during the calendar year.

9 (4) Except as provided under subsection (5) of this section, a tax  
10 credit claimed under this section may not be carried over to another  
11 year.

12 (5) Any amount of tax credit otherwise allowable under this section  
13 not claimed by the person in any calendar year may be carried over and  
14 claimed against the person's tax liability for the next succeeding  
15 calendar year. Any credit remaining unused in the next succeeding  
16 calendar year may be carried forward and claimed against the person's  
17 tax liability for the second succeeding calendar year; and any credit  
18 not used in that second succeeding calendar year may be carried over  
19 and claimed against the person's tax liability for the third succeeding  
20 calendar year, but may not be carried over for any calendar year  
21 thereafter.

22 (6) Credits are available on a first in-time basis. The department  
23 shall disallow any credits, or portion thereof, that would cause the  
24 total amount of credits claimed under this section during any calendar  
25 year to exceed three million five hundred thousand dollars. If this  
26 limitation is reached, the department shall notify (~~all Washington~~  
27 ~~motion picture competitiveness programs that~~) the department of social  
28 and health services division of developmental disabilities that the  
29 annual statewide limit has been met. In addition, the department shall  
30 provide written notice to any person who has claimed tax credits in  
31 excess of the three million five hundred thousand dollar limitation in  
32 this subsection. The notice shall indicate the amount of tax due and  
33 shall provide that the tax be paid within thirty days from the date of  
34 such notice. The department shall not assess penalties and interest as  
35 provided in chapter 82.32 RCW on the amount due in the initial notice  
36 if the amount due is paid by the due date specified in the notice, or  
37 any extension thereof.

1 (7) To claim a credit under this section, a person must  
2 electronically file with the department all returns, forms, and any  
3 other information required by the department, in an electronic format  
4 as provided or approved by the department. Any return, form, or  
5 information required to be filed in an electronic format under this  
6 section is not filed until received by the department in an electronic  
7 format. As used in this subsection, "returns" has the same meaning as  
8 "return" in RCW 82.32.050.

9 (8) No application is necessary for the tax credit. The person  
10 must keep records necessary for the department to verify eligibility  
11 under this section.

12 (9) (~~(A Washington motion picture competitiveness program shall)~~)  
13 The program for supported employment services for individuals with  
14 developmental disabilities as they transition from high school to the  
15 workforce must provide to the department, upon request, such  
16 information needed to verify eligibility for credit under this section,  
17 including information regarding contributions received by the program.

18 (10) The department shall not allow any credit under this section  
19 before July 1, 2006.

20 (11) For the purposes of this section, "~~(Washington motion picture~~  
21 ~~competitiveness program)~~ the program for supported employment services  
22 for individuals with developmental disabilities as they transition from  
23 high school to the workforce" or "program" means (~~(an organization~~  
24 ~~established pursuant to chapter 43.365 RCW)~~) the program operated by  
25 the department of social and health services pursuant to RCW 71A.12.040  
26 (4) and (14) and targeted to providing individuals with developmental  
27 disabilities with employment search supports, job skills training and  
28 development, and supports for individuals to maintain their employment  
29 particularly targeted to individuals with developmental disabilities as  
30 they transition from high school.

31 (~~(12) No credit may be earned for contributions made on or after~~  
32 ~~July 1, 2011.)~~)

33 NEW SECTION. Sec. 2. This act takes effect January 1, 2010.

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