SB 5044 - H AMD 644
    By Representative Reykdal

ADOPTED 04/12/2011

1   On page 1, after line 3, insert the following:
2
3   "**Sec 1.** RCW 43.136.011 and 2006 c 197 s 1 are each amended to read
4 as follows:
5   "The legislature recognizes that tax preferences are enacted to
6 meet objectives which are determined to be in the public interest.
7 However, some tax preferences may not be efficient or equitable tools
8 for the achievement of current public policy objectives. Given the
9 changing nature of the economy and tax structures of other states, the
10 legislature finds that periodic performance audits of tax preferences
11 are needed to determine if their continued existence will serve the
12 public interest. The legislature further finds that tax preferences
13 that are enacted for economic development purposes must demonstrate
14 growth in full-time family wage jobs with health and retirement
15 benefits. Given that an opportunity cost exists with each economic
16 choice, it is the intent of the legislature that the overall impact of
17 economic development focused tax preferences benefit the state's
18 economy.""
19
20   Renumber the remaining sections consecutively and correct any
21 internal references accordingly and correct the title.
22
23 On page 3, line 19, after "(j)" insert: "The economic impact of the
24 tax preference compared to the economic impact of government
25 activities funded by the tax for which the tax preference is taken at
26 the same level of expenditure as the tax preference. For purposes of
27 this subsection the economic impact shall be determined using the

1 <u>Washington Input-Output Model as published by the office of financial</u>

2 <u>management;</u>

3   (k)"

     <u>EFFECT:</u> Adds benefit to the state's economy and growth in full-
time family wage jobs to the intent of economic development tax
preferences. Adds an economic impact analysis to the list of
factors to be considered by the Joint Legislative Audit and Review
Committee when reviewing tax preferences.

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