
SUBSTITUTE SENATE BILL 6088

State of Washington

62nd Legislature

2012 Regular Session

By Senate Ways & Means (originally sponsored by Senators Pridemore, Swecker, Conway, Ranker, Shin, Keiser, Kilmer, Kline, Zarelli, Prentice, Rolfes, Eide, Fraser, Kastama, Hobbs, Kohl-Welles, Tom, Benton, and Frockt)

READ FIRST TIME 02/07/12.

1 AN ACT Relating to strengthening the review of the legislature's
2 goals for tax preferences by requiring that every new tax preference
3 provide an expiration date and statement of legislative intent; adding
4 a new section to chapter 43.135 RCW; adding a new section to chapter
5 82.02 RCW; adding a new section to chapter 84.09 RCW; adding a new
6 section to chapter 83.100 RCW; adding a new section to chapter 83.110A
7 RCW; creating a new section; and providing an effective date.

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

9 NEW SECTION. **Sec. 1.** The legislature finds that the tax code of
10 Washington state includes tax preferences enacted to achieve a variety
11 of policy goals for the public interest. To measure the effectiveness
12 of a specific tax preference in meeting these goals, the legislature
13 has adopted processes and accountability measures, including such
14 requirements as a tax exemption study in RCW 43.06.400, review by the
15 citizen commission for performance measurement of tax preferences in
16 chapter 43.136 RCW, and taxpayer reporting in chapter 82.32 RCW. In
17 order to make policy choices going forward regarding the best use of
18 limited state resources, the legislature concludes that it is necessary

1 to enact a set expiration date and to articulate the legislative intent
2 for each tax preference.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.135 RCW
4 to read as follows:

5 (1) For any bill introduced in either the house of representatives
6 or the senate that adopts a new tax preference or expands or extends an
7 existing tax preference, the bill must include legislative intent
8 provisions, establishing the policy goals and any related metrics that
9 might provide context and/or data for purposes of reviewing the
10 preference under chapter 43.136 RCW.

11 (2)(a) Any bill that is enacted without the legislative intent
12 provisions required by subsection (1) of this section does not take
13 effect.

14 (b) Prior to the date on which a bill would take effect, but for
15 the failure of such bill to meet the requirements of subsection (1) of
16 this section:

17 (i) The joint legislative audit and review committee must provide
18 written notice to the department of revenue of the bill's failure to
19 meet the requirements of subsection (1) of this section; and

20 (ii) The department of revenue, after receiving written notice from
21 the joint legislative audit and review committee under this subsection,
22 must provide written notice that such bill did not take effect to
23 affected parties, the chief clerk of the house of representatives, the
24 secretary of the senate, the office of the code reviser, and others as
25 deemed appropriate by the department.

26 (3) For purposes of this section, "tax preference" has the same
27 meaning as in RCW 43.136.021.

28 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.02 RCW
29 to read as follows:

30 (1) Any tax preference taking effect on or after July 1, 2012,
31 expires five years after the effective date, unless a specific
32 expiration date is provided.

33 (2) Any tax preference taking effect on or after July 1, 2012, must
34 meet all requirements of section 2 of this act.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 84.09 RCW
2 to read as follows:

3 (1) Any tax preference taking effect on or after July 1, 2012,
4 expires five years after the effective date, unless a specific
5 expiration date is provided.

6 (2) Any tax preference taking effect on or after July 1, 2012, must
7 meet all requirements of section 2 of this act.

8 NEW SECTION. **Sec. 5.** A new section is added to chapter 83.100 RCW
9 to read as follows:

10 (1) Any tax preference taking effect on or after July 1, 2012,
11 expires five years after the effective date, unless a specific
12 expiration date is provided.

13 (2) Any tax preference taking effect on or after July 1, 2012, must
14 meet all requirements of section 2 of this act.

15 NEW SECTION. **Sec. 6.** A new section is added to chapter 83.110A
16 RCW to read as follows:

17 (1) Any tax preference taking effect on or after July 1, 2012,
18 expires five years after the effective date, unless a specific
19 expiration date is provided.

20 (2) Any tax preference taking effect on or after July 1, 2012, must
21 meet all requirements of section 2 of this act.

22 NEW SECTION. **Sec. 7.** This act takes effect July 1, 2012.

--- END ---