

ESSB 5096 - H AMD TO FIN COMM AMD (H-1547.5/21) **742**
By Representative Vick

NOT ADOPTED 04/20/2021

1 On page 9, after line 11, insert the following:

2 "NEW SECTION. **Sec. 9.** (1) Subject to the limits and provisions
3 of this section, a credit is authorized against the tax otherwise due
4 under this chapter for an individual's contributions to a charitable
5 organization.

6 (2) The credit under this section equals the amount deducted by
7 the individual on the individual's federal tax return for the tax
8 year for contributions made to organizations qualified under Title 26
9 U.S.C. Sec. 170(c) of the internal revenue code. The amount of the
10 credit may not exceed the tax otherwise due under this chapter for
11 that reporting period. No credits may be claimed for contributions
12 made prior to January 1, 2022.

13 (3) No application is necessary for the tax credit. The
14 individual must keep records necessary for the department to verify
15 eligibility under this section.

16 (4) Any amount of a tax credit otherwise allowable under this
17 section not claimed by the person in any tax year may be carried
18 forward and claimed against a person's tax liability for the next
19 succeeding tax year; and any credit not used in that next succeeding
20 year may be carried forward and claimed against a person's tax
21 liability for the second succeeding tax year, but may not be carried
22 over for any tax year thereafter. No refunds may be granted for
23 credits under this section.

24 (5) If at any time the department finds that an individual is not
25 eligible for the tax credit under this section, the amount of taxes
26 for which the credit has been claimed is immediately due. The
27 department must assess interest, but not penalties, on the tax for
28 which the person is not eligible. The interest must be assessed at
29 the rate provided for delinquent excise taxes under chapter 82.32
30 RCW, is retroactive to the date the tax credit was taken, and accrues
31 until the taxes for which the credit was used are repaid.

1 (6) A person claiming a credit under this section is not subject
2 to the annual tax performance reporting requirements in chapter 82.32
3 RCW."

4 Renumber the remaining sections consecutively and correct any
5 internal references accordingly.

EFFECT: Provides a credit against taxes due on any capital gains for charitable contributions made and claimed by an individual on the individual's federal tax return. Authorizes an unused credit to be available for two subsequent tax years.

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