

SHB 1279 - S COMM AMD

By Committee on Business, Financial Services & Trade

ADOPTED 04/07/2021

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that as a result of
4 the economic impacts of the COVID-19 pandemic, certain businesses
5 that made contributions to a Washington main street community or to
6 the main street trust fund in 2020, and qualified for a credit
7 against the business and occupation tax or public utility tax, have
8 received insufficient revenues, and have insufficient tax
9 liabilities, to allow them to use the full amount of the credit for
10 which they have qualified. With this act, the legislature intends to
11 address this finding by allowing credits earned as result of
12 contributions made in calendar year 2020 to be carried over for an
13 additional two years, and by providing an additional credit against
14 the business and occupation tax or public utility tax.

15 **Sec. 2.** RCW 82.73.030 and 2017 3rd sp.s. c 37 s 103 are each
16 amended to read as follows:

17 (1) Subject to the limitations in this chapter, a credit is
18 allowed against the tax imposed by chapters 82.04 and 82.16 RCW for
19 approved contributions that are made by a person to a program or the
20 main street trust fund.

21 (2) ~~((The))~~ (a) Except as provided in (b) of this subsection, the
22 credit allowed under this section is limited to an amount equal to:

23 ~~((a))~~ (i) Seventy-five percent of the approved contribution
24 made by a person to a program; or

25 ~~((b))~~ (ii) Fifty percent of the approved contribution made by a
26 person to the main street trust fund.

27 (b) Beginning with contributions made in calendar year 2021, an
28 additional credit is allowed equal to 25 percent of the approved
29 contribution made by a person to the main street trust fund.

1 (3) The department may not approve credit with respect to a
2 program in a city or town with a population of one hundred ninety
3 thousand persons or more.

4 (4) The department must keep a running total of all credits
5 approved under this chapter for each calendar year. The department
6 may not approve any credits under this section that would cause the
7 total amount of approved credits statewide to exceed (~~two million~~
8 ~~five hundred thousand dollars~~) \$5,000,000 in any calendar year.

9 (5) (a) (i) The total credits allowed under this chapter for
10 contributions made to each program may not exceed (~~one hundred~~
11 ~~thousand dollars~~) \$160,000 in a calendar year.

12 (ii) Between 8:00 a.m., Pacific standard time, on the second
13 Monday in January and (~~March 31st~~) 8:00 a.m., Pacific daylight
14 time, on April 1st of the same calendar year, the department must
15 evenly allocate the amount of statewide credits allowed under
16 subsection (4) of this section based on the total number of programs
17 and the main street trust fund as of January 1st in the same calendar
18 year. The department may not approve contributions for a program or
19 the main street trust fund that would cause the total amount of
20 approved credits for a program or the main street trust fund to
21 exceed the allocated amount.

22 (b) The total credits allowed under this chapter for a person may
23 not exceed two hundred fifty thousand dollars in a calendar year.

24 (6) (~~The~~) Except as provided in subsection (8) of this section,
25 the credit may be claimed against any tax due under chapters 82.04
26 and 82.16 RCW only in the calendar year immediately following the
27 calendar year in which the credit was approved by the department and
28 the contribution was made to the program or the main street trust
29 fund. Credits may not be carried over to subsequent years. No refunds
30 may be granted for credits under this chapter.

31 (7) The total amount of the credit claimed in any calendar year
32 by a person may not exceed the lesser amount of:

33 (a) The approved credit; or

34 (b) Seventy-five percent of the amount of the contribution that
35 is made by the person to a program and (~~fifty~~) 75 percent of the
36 amount of the contribution that is made by the person to the main
37 street trust fund, in the prior calendar year.

38 (8) Any credits provided in accordance with this chapter for
39 approved contributions made in calendar year 2020 may be carried over
40 for an additional two years and must be used by December 31, 2023.

1 (9) No credit is allowed or may be claimed under this section on
2 or after January 1, 2032.

3 NEW SECTION. Sec. 3. A new section is added to chapter 82.73
4 RCW to read as follows:

5 This chapter expires January 1, 2032.

6 NEW SECTION. Sec. 4. Sections 2 and 3 of this act take effect
7 October 1, 2021.

8 NEW SECTION. Sec. 5. 2017 3rd sp.s. c 37 s 1406 (uncodified) is
9 repealed."

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10 On page 1, line 3 of the title, after "pandemic;" strike the
11 remainder of the title and insert "amending RCW 82.73.030; adding a
12 new section to chapter 82.73 RCW; creating a new section; repealing
13 2017 3rd sp.s. c 37 s 1406 (uncodified); providing an effective date;
14 and providing an expiration date."

EFFECT: Removes the additional 15 percent credit provided for approved contributions made to a program beginning in calendar year 2021. Decreases the additional credit provided for approved contributions made to the Main Street Trust Fund beginning in calendar year 2021 to 25 percent. Removes the additional credit provided for approved contributions made to a program in calendar year 2020. Provides an October 1, 2021, effective date.

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