

**ESHB 1297 - S AMD 795**

By Senator Nguyen

**ADOPTED 04/11/2021**

1 On page 7, beginning on line 35, after "82.32.805" strike all  
2 material through "82.32.808" on line 36

3 On page 7, after line 36, insert the following:

4 "NEW SECTION. **Sec. 4.** (1) This section is the tax preference  
5 performance statement for the tax preference contained in section 2,  
6 chapter . . . , Laws of 2021 (section 2 of this act). This performance  
7 statement is only intended to be used for subsequent evaluation of  
8 the tax preference. It is not intended to create a private right of  
9 action by any party or be used to determine eligibility for the  
10 preferential tax treatment.

11 (2) The legislature categorizes this tax preference as one  
12 intended to provide tax relief for certain individuals as indicated  
13 in RCW 82.32.808(2)(e).

14 (3) It is the legislature's specific public policy objective to  
15 allow low-income and middle-income workers to recover some or all of  
16 the sales tax they pay to support state and local government as a way  
17 to increase their economic security and to decrease the regressivity  
18 of our state tax code. It is the legislature's intent to provide a  
19 sales and use tax credit, in the form of a remittance, to low-income  
20 and middle-income working families.

21 (4) The joint legislative audit and review committee shall review  
22 this preference in 2028 and every 10 years thereafter. If a review  
23 finds that the working families' tax credit does not provide  
24 meaningful financial relief to low-income and middle-income  
25 households, this act shall expire at the end of the calendar year two  
26 years after the adoption of the final report containing that finding.  
27 In its review of the program, the joint legislative audit and review  
28 committee should use at least the following metrics: Size of the  
29 benefit per household, number of household beneficiaries statewide,  
30 and demographic information of beneficiaries to include family size,  
31 income level, race and ethnicity, and geographic location.

1           (5) In order to obtain the data necessary to perform the review  
2 in subsection (4) of this section, the joint legislative audit and  
3 review committee may refer to the remittance data prepared by the  
4 department of revenue."

EFFECT: Creates a tax preference performance statement requiring JLARC to review the program in 2028 and every 10 years thereafter. Expires the program at the end of the calendar year two years after the adoption of a final report by JLARC that finds that the program does not provide meaningful financial relief to low-income and middle-income households.

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