
ENGROSSED SUBSTITUTE HOUSE BILL 2306

State of Washington

68th Legislature

2024 Regular Session

By House Finance (originally sponsored by Representatives Steele and Callan)

READ FIRST TIME 02/05/24.

1 AN ACT Relating to allowing main street programs to use remaining
2 main street tax credits after a certain date; and amending RCW
3 82.73.030.

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

5 **Sec. 1.** RCW 82.73.030 and 2023 c 96 s 1 are each amended to read
6 as follows:

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

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

13 (i) Seventy-five percent of the approved contribution made by a
14 person to a program; or

15 (ii) Fifty percent of the approved contribution made by a person
16 to the main street trust fund.

17 (b) Beginning with contributions made in calendar year 2021, an
18 additional credit is allowed equal to 25 percent of the approved
19 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 190,000 persons or
3 more at the time of designation under RCW 43.360.030.

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 \$5,000,000 in
8 any calendar year.

9 (5) (a) (i) The total credits allowed under this chapter for
10 contributions made to each program may not exceed \$160,000 in a
11 calendar year, except as provided in (a) (iii) of this subsection.

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

22 (iii) Between 8:00 a.m., Pacific standard time, on October 1st
23 and 8:00 a.m., Pacific standard time, on December 31st of the same
24 calendar year, the department must allow individual programs to use
25 any remaining credits allowed under subsection (4) of this section.
26 The total credits allowed under this chapter for each program under
27 (a) (i) of this subsection and this subsection (a) (iii) may not exceed
28 \$250,000 in a calendar year.

29 (b) The total credits allowed under this chapter for a person may
30 not exceed \$250,000 in a calendar year.

31 (6) Except as provided in subsection (8) of this section, the
32 credit may be claimed against any tax due under chapters 82.04 and
33 82.16 RCW only in the calendar year immediately following the
34 calendar year in which the credit was approved by the department and
35 the contribution was made to the program or the main street trust
36 fund. Credits may not be carried over to subsequent years. No refunds
37 may be granted for credits under this chapter.

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

40 (a) The approved credit; or

1 (b) Seventy-five percent of the amount of the contribution that
2 is made by the person to a program and 75 percent of the amount of
3 the contribution that is made by the person to the main street trust
4 fund, in the prior calendar year.

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

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

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