
SENATE BILL 6112

State of Washington

68th Legislature

2024 Regular Session

By Senators Lovick, Kuderer, Nguyen, Randall, Shewmake, Van De Wege, and C. Wilson

Read first time 01/10/24. Referred to Committee on Ways & Means.

1 AN ACT Relating to authorizing a business and occupation tax
2 credit for the cost of donated food items by grocery stores and other
3 food retailers; adding a new section to chapter 82.04 RCW; creating
4 new sections; providing an effective date; and providing an
5 expiration date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that according to
8 the United States department of agriculture, food waste in the United
9 States is estimated at between 30 to 40 percent of the food supply.
10 The legislature further finds that 30 percent of food in grocery
11 stores is thrown away, according to the recycle track system,
12 creating endless, unfortunate, and unnecessary food waste. The
13 legislature further finds that some food retailers have made
14 significant inroads to donate a significant amount of products that
15 go unsold but remain fit to be enjoyed to local food recovery
16 organizations; however, additional state support is required to
17 further bolster food recovery efforts. It is the intent of the
18 legislature to provide a state funding mechanism to further promote
19 food recovery efforts by food retailers.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04

2 RCW to read as follows:

3 (1) In computing the tax imposed under this chapter, a credit is
4 allowed for qualified donation items donated to a qualified food bank
5 by a qualified food retailer.

6 (2) A person claiming the credit under this section is subject to
7 all the requirements of chapter 82.32 RCW. A credit earned during one
8 calendar year may be carried over to be credited against taxes
9 incurred in the subsequent calendar year, but may not be carried over
10 a second year. Credits carried over must be applied to tax liability
11 before new credits. No refunds may be granted for credits under this
12 section.

13 (3) (a) Except as otherwise provided in this subsection (3), the
14 amount of credit under this section is equal to 100 percent of the
15 qualified value of qualified donation items.

16 (b) The amount of credit under this section is equal to 50
17 percent of the fuel cost charged by a food distributor for
18 transporting qualified donation items to a food bank.

19 (4) Credits may not be claimed under this section for qualified
20 donation items donated on or after July 1, 2034.

21 (5) A person claiming the credit provided in this section must
22 file a complete annual tax performance report with the department
23 under RCW 82.32.534.

24 (6) The following definitions apply to this section unless the
25 context clearly requires otherwise.

26 (a) "Qualified donation item" includes, but is not limited to,
27 fresh fruits or fresh vegetables; fresh meat, including poultry;
28 eggs; rice; beans; infant formula; vegetable oil and olive oil; soup;
29 pasta sauce; salsa; bread; pasta; and canned meats and canned
30 seafood. "Qualified donation item" also includes the fuel cost
31 charged by a distributor for transporting qualified donation items to
32 a food bank.

33 (b) "Qualified food bank" means a nonprofit organization
34 primarily engaged in stocking food and other basic provisions to
35 supply free of charge to people in need.

36 (c) "Qualified food retailer" means:

37 (i) A business primarily engaged in retailing a general line of
38 food, such as canned and frozen foods; fresh fruits and vegetables;
39 and fresh and prepared meats, fish, and poultry; and

1 (ii) A business primarily engaged in retailing a general line of
2 groceries, including a significant amount and variety of fresh
3 fruits, vegetables, dairy products, meats, and other perishable
4 groceries, in combination with a general line of new merchandise,
5 such as apparel, furniture, and appliances.

6 (d) "Qualified value" is the total purchase price of the
7 qualified taxpayer's qualified donation items.

8 (7) This section expires January 1, 2038.

9 NEW SECTION. **Sec. 3.** (1) This section is the tax preference
10 performance statement for the tax preference in section 2 of this
11 act. The performance statement is only intended to be used for
12 subsequent evaluation of the tax preference. It is not intended to
13 create a private right of action by any party or be used to determine
14 eligibility for preferential tax treatment.

15 (2) The legislature categorizes this tax preference as one
16 intended to induce certain designated behavior by taxpayers, as
17 indicated in RCW 82.32.808(2) (a).

18 (3) It is the legislature's specific public policy objective to
19 encourage the donation of food items to food banks by food retailers.

20 (4) To measure the effectiveness of the tax credit provided in
21 section 2 of this act, the joint legislative audit and review
22 committee must evaluate the year-to-year change in the number of
23 taxpayers claiming the tax credit under section 2 of this act and the
24 year-to-year change in the amount of credit claimed by taxpayers. The
25 legislature intends to extend the tax credit under section 2 of this
26 act if the total value of qualified donation items, as defined in
27 section 2 of this act, has increased over the period of evaluation.

28 NEW SECTION. **Sec. 4.** This act takes effect July 1, 2024.

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