

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6038

68th Legislature
2024 Regular Session

Passed by the Senate March 6, 2024
Yeas 46 Nays 1

President of the Senate

Passed by the House March 5, 2024
Yeas 95 Nays 1

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6038** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6038

AS AMENDED BY THE HOUSE

Passed Legislature - 2024 Regular Session

State of Washington

68th Legislature

2024 Regular Session

By Senate Ways & Means (originally sponsored by Senators C. Wilson, Lovelett, Keiser, Kuderer, Lias, Nguyen, Nobles, Randall, Salomon, Valdez, and Wellman)

READ FIRST TIME 02/05/24.

1 AN ACT Relating to reducing the costs associated with providing
2 child care; amending RCW 82.04.2905; creating a new section; and
3 providing an effective date.

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

5 NEW SECTION. **Sec. 1.** (1) This section is the tax preference
6 performance statement for the tax preference contained in section 2,
7 chapter . . . , Laws of 2024 (section 2 of this act). This performance
8 statement is only intended to be used for subsequent evaluation of
9 the tax preferences. It is not intended to create a private right of
10 action by any party or to be used to determine eligibility for
11 preferential tax treatment.

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

15 (3) It is the legislature's specific public policy objective to
16 reduce the costs associated with providing child care by expanding
17 the business and occupation tax exemption for child care services to
18 include income derived from the care and education of children up to
19 age 12.

1 (4) If a review finds a reduction in the cost of providing child
2 care and education, then the legislature intends to extend the
3 expiration date of this tax preference.

4 (5) In order to obtain the data necessary to perform the review
5 in subsection (4) of this section, the joint legislative audit and
6 review committee may refer to any data collected by the state.

7 **Sec. 2.** RCW 82.04.2905 and 1998 c 312 s 7 are each amended to
8 read as follows:

9 (~~Upon~~) (1) Except as provided in subsection (2) of this
10 section, upon every person engaging within this state in the business
11 of providing child care for periods of less than twenty-four hours
12 (~~as to such persons~~), the amount of tax with respect to such business
13 (~~shall be~~) is equal to the gross proceeds derived from such sales
14 multiplied by the rate of 0.484 percent.

15 (2) Until January 1, 2035, this chapter does not apply to amounts
16 received by a child care provider for the care and supervision for
17 periods of less than 24 hours of children:

18 (a) Under 13 years of age; or

19 (b) Under 19 years of age who have a verified special need or are
20 under court supervision as determined by the department of children,
21 youth, and families under chapter 43.216 RCW.

22 (3) The exemption under subsection (2) of this section applies
23 only to persons primarily engaged in the business of providing child
24 care.

25 NEW SECTION. **Sec. 3.** This act takes effect October 1, 2024.

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