
SENATE BILL 6057

State of Washington

61st Legislature

2009 Regular Session

By Senators Zarelli, Honeyford, McCaslin, King, Morton, Hewitt, Stevens, Benton, and Holmquist

Read first time 02/19/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to business and occupation tax exemptions for new
2 businesses; adding a new section to chapter 82.04 RCW; providing an
3 effective date; providing an expiration date; and declaring an
4 emergency.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW
7 to read as follows:

8 (1) This chapter does not apply to:

9 (a) A new business during the first twelve months of operation of
10 the business; or

11 (b) A new business during the first twenty-four months of operation
12 of the business if the new business has less than twenty-five
13 employment positions at the time it begins to engage in the normal
14 course of business. During the next twelve months of operation of the
15 business, the business is exempt from fifty percent of taxes due under
16 this chapter.

17 (2) As used in this section:

18 (a)(i) "New business" means a business that obtained or was

1 required to obtain a registration certificate under RCW 82.32.030 for
2 the first time during the calendar year for which exemption is first
3 claimed under this section.

4 (ii) "New business" does not include:

5 (A) A business that has been restructured, reorganized, or
6 transferred, unless the majority of the activities to be conducted
7 after the restructuring, reorganization, or transfer are significantly
8 different from the activities previously conducted;

9 (B) A new branch location or other facility except by an existing
10 out-of-state entity first doing business in this state;

11 (C) A business that is substantially similar to a business
12 currently operated, or operated within the past five years, by the same
13 principals.

14 (b) "Employment position" means a full-time, permanent employee of
15 the new business.

16 (3)(a) A new business must file an application, in a form and
17 manner required by the department, to qualify for the exemption under
18 this section.

19 (b) An application under this section must be filed within one year
20 of the time the business was required to obtain a registration
21 certificate under RCW 82.32.030.

22 (c) The time periods in subsection (1) of this section begin when
23 the application is approved.

24 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
25 preservation of the public peace, health, or safety, or support of the
26 state government and its existing public institutions, and takes effect
27 July 1, 2009.

28 NEW SECTION. **Sec. 3.** This act expires July 1, 2013.

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