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**SENATE BILL 5445**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Senators Holy and Liias

AN ACT Relating to creating a business and occupation tax deduction for interest earned on public funds; adding a new section to chapter 82.04 RCW; creating a new section; and providing an effective date.

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

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

(1) In computing tax, there may be deducted from the measure of tax amounts received by a public depositary as interest or other investment earnings derived from public funds.

(2) For the purpose of this section, "public depositary" and "public funds" have the same meaning as provided in RCW 39.58.010.

(3) The deduction under this section does not apply to credit unions.

NEW SECTION. **Sec.**  The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. **Sec.**  This act takes effect October 1, 2021.

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