
HOUSE BILL 2303

State of Washington 56th Legislature 1999 1 Special Session

By Representatives Regala and Buck

Read first time . Referred to Committee on .

1 AN ACT Relating to the effective date of the timber tax credit
2 enacted during 1999; and amending RCW 84.33.--- (1999 sp.s. c ... (ESHB
3 2091) s 401).

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

5 **Sec. 1.** RCW 84.33.--- and 1999 c ... (ESHB 2091) s 401 are each
6 amended to read as follows:

7 (1) A taxpayer is allowed a credit against the tax imposed under
8 RCW 84.33.041 for timber harvested on and after January 1, 2000, under
9 a forest practices notification filed or application approved under RCW
10 76.09.050 and subject to enhanced aquatic resources requirements.

11 (2)(a) For a person other than a small harvester who elects to
12 calculate tax under RCW 84.33.074, the credit is equal to the stumpage
13 value of timber harvested for sale or for commercial or industrial use
14 multiplied by eight-tenths of one percent.

15 (b) For a small harvester who elects to calculate tax under RCW
16 84.33.074, the credit is equal to sixteen percent of the tax imposed
17 under this chapter.

18 (c) The amount of credit claimed by a taxpayer under this section
19 shall be reduced by the amount of any compensation received from the

1 federal government for reduced timber harvest due to enhanced aquatic
2 resource requirements. If the amount of compensation from the federal
3 government exceeds the amount of credit available to a taxpayer in any
4 reporting period, the excess shall be carried forward and applied
5 against credits in future reporting periods. This subsection does not
6 apply to small harvesters as defined in RCW 84.33.073.

7 (d) Refunds may not be given in place of credits. Credit may not
8 be claimed in excess of tax owed. The department of revenue shall
9 disallow any credits, used or unused, upon written notification from
10 the department of natural resources of a final decision that timber for
11 which credit was claimed was not harvested under a forest practices
12 notification filed or application approved under RCW 76.09.050 and
13 subject to enhanced aquatic resources requirements.

14 (3) As used in this section, a forest practice notification or
15 application is subject to enhanced aquatic resource requirements if it
16 includes, in whole or in part, riparian area, wetland, or steep or
17 unstable slope from which the operator is limited, by rule adopted
18 under sections 201 through 204 (~~of this act~~), chapter . . .
19 (Engrossed Substitute House Bill No. 2091), Laws of 1999 sp. sess. or
20 any federally approved habitat conservation plan or department of
21 natural resources approved watershed analysis, from harvesting timber,
22 or if a road is included within or adjacent to the area covered by such
23 notification or application and the road is covered by a road
24 maintenance plan approved by the department of natural resources under
25 rules adopted under chapter 76.09 RCW, the forest practices act, or a
26 federally approved habitat conservation plan.

27 (4) For forest practices notification or applications submitted
28 after January 1, 2000, the department of natural resources shall
29 indicate whether the notification or application is subject to enhanced
30 aquatic resource requirements and, unless notified of a contrary
31 determination by the forest practices appeals board, the department of
32 revenue shall use such indication in determining the credit to be
33 allowed against the tax assessed under RCW 84.33.041. The department
34 of natural resources shall develop revisions to the form of the forest
35 practices notifications and applications to provide a space for the
36 applicant to indicate and the department of natural resources to
37 confirm or not confirm, whether the notification or application is
38 subject to enhanced aquatic resource requirements. For forest
39 practices notifications or applications submitted before January 1,

1 2000, the applicant may submit the approved notification or application
2 to the department of natural resources for confirmation that the
3 notification or application is subject to enhanced aquatic resource
4 requirements. Upon any such submission, the department of natural
5 resources will within thirty days confirm or deny that the notification
6 or application is subject to enhanced aquatic resource requirements and
7 will forward separate evidence of each confirmation to the department
8 of revenue. Unless notified of a contrary ruling by the forest
9 practices appeals board, the department of revenue shall use the
10 separate confirmations in determining the credit to be allowed against
11 the tax assessed under RCW 84.33.041.

12 (5) A refusal by the department of natural resources to confirm
13 that a notification or application is subject to enhanced aquatic
14 resources requirements may be appealed to the forest practices appeals
15 board under RCW 76.09.220.

16 (6) A person receiving approval of credit must keep records
17 necessary for the department of revenue to verify eligibility under
18 this section.

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