
SUBSTITUTE HOUSE BILL 1370

State of Washington

64th Legislature

2015 Regular Session

By House Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Wylie, Nealey, Manweller, Van De Wege, Haler, Appleton, Zeiger, Tharinger, Klippert, Vick, and S. Hunt)

READ FIRST TIME 02/05/15.

1 AN ACT Relating to increasing the total amount of tax credits
2 allowed under the Washington main street program; amending RCW
3 82.73.030; and creating a new section.

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 of this act. This performance statement is only intended to be used
8 for subsequent evaluation of the tax preference. It is not intended
9 to create a private right of action by any party or be used to
10 determine eligibility for preferential tax treatment.

11 (2) The legislature categorizes this tax preference as one
12 intended to promote contributions to main street programs and enhance
13 community and economic revitalization and development of main street
14 business districts under categories as indicated in RCW 82.32.808(2)
15 (a) and (f).

16 (3) It is the legislature's specific public policy objective to
17 support and work in concert with main street programs to accomplish
18 community and economic revitalization and development of business
19 districts as specified in RCW 43.360.005. It is the legislature's
20 intent to provide tax credits to businesses in main street
21 communities to promote contributions to such programs as provided in

1 RCW 82.73.030, in order to maintain the economic viability of rural
2 downtown areas, thereby ensuring the growth and retention of small
3 business in rural communities.

4 (4) The joint legislative audit and review committee must perform
5 an economic impact report to the legislature to provide the
6 information necessary to measure the effectiveness of this act.

7 (5) In order to obtain the data necessary to perform the review
8 under this section, the joint legislative audit and review committee
9 may refer to data collected by the department of archaeology and
10 historic preservation.

11 **Sec. 2.** RCW 82.73.030 and 2005 c 514 s 904 are each amended to
12 read as follows:

13 (1) Subject to the limitations in this chapter, a credit is
14 allowed against the tax imposed by chapters 82.04 and 82.16 RCW for
15 approved contributions that are made by a person to a program or the
16 main street trust fund.

17 (2) The credit allowed under this section is limited to an amount
18 equal to:

19 (a) Seventy-five percent of the approved contribution made by a
20 person to a program; or

21 (b) Fifty percent of the approved contribution made by a person
22 to the main street trust fund.

23 (3) The department may not approve credit with respect to a
24 program in a city or town with a population of one hundred ninety
25 thousand persons or more.

26 (4) The department (~~shall~~)must keep a running total of all
27 credits approved under this chapter for each calendar year. The
28 department (~~shall~~)may not approve any credits under this section
29 that would cause the total amount of approved credits statewide to
30 exceed (~~one~~)three million (~~five hundred thousand~~) dollars in any
31 calendar year.

32 (5) The total credits allowed under this chapter for
33 contributions made to each program may not exceed (~~one~~)two hundred
34 thousand dollars in a calendar year. The total credits allowed under
35 this chapter for a person may not exceed (~~two hundred fifty~~)five
36 hundred thousand dollars in a calendar year.

37 (6) The credit may be claimed against any tax due under chapters
38 82.04 and 82.16 RCW only in the calendar year immediately following
39 the calendar year in which the credit was approved by the department

1 and the contribution was made to the program or the main street trust
2 fund. Credits may not be carried over to subsequent years. No refunds
3 may be granted for credits under this chapter.

4 (7) The total amount of the credit claimed in any calendar year
5 by a person may not exceed the lesser amount of the approved credit,
6 or seventy-five percent of the amount of the contribution that is
7 made by the person to a program and fifty percent of the amount of
8 the contribution that is made by the person to the main street trust
9 fund, in the prior calendar year.

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