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SENATE BILL 6288

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State of Washington

64th Legislature

2016 Regular Session

By Senators Baumgartner, Billig, Frockt, Pedersen, Darneille, Mullet, Conway, and Liias

Read first time 01/14/16. Referred to Committee on Ways & Means.

1 AN ACT Relating to extending the motion picture competitiveness  
2 program; and amending RCW 82.04.4489.

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

4 **Sec. 1.** RCW 82.04.4489 and 2012 c 189 s 4 are each amended to  
5 read as follows:

6 (1) Subject to the limitations in this section, a credit is  
7 allowed against the tax imposed under this chapter for contributions  
8 made by a person to a Washington motion picture competitiveness  
9 program.

10 (2) The person must make the contribution before claiming a  
11 credit authorized under this section. Credits earned under this  
12 section may be claimed against taxes due for the calendar year in  
13 which the contribution is made. The amount of credit claimed for a  
14 reporting period may not exceed the tax otherwise due under this  
15 chapter for that reporting period. No person may claim more than one  
16 million dollars of credit in any calendar year, including credit  
17 carried over from a previous calendar year. No refunds may be granted  
18 for any unused credits.

19 (3) The maximum credit that may be earned for each calendar year  
20 under this section for a person is limited to the lesser of one  
21 million dollars or an amount equal to one hundred percent of the

1 contributions made by the person to a program during the calendar  
2 year.

3 (4) Except as provided under subsection (5) of this section, a  
4 tax credit claimed under this section may not be carried over to  
5 another year.

6 (5) Any amount of tax credit otherwise allowable under this  
7 section not claimed by the person in any calendar year may be carried  
8 over and claimed against the person's tax liability for the next  
9 succeeding calendar year. Any credit remaining unused in the next  
10 succeeding calendar year may be carried forward and claimed against  
11 the person's tax liability for the second succeeding calendar year;  
12 and any credit not used in that second succeeding calendar year may  
13 be carried over and claimed against the person's tax liability for  
14 the third succeeding calendar year, but may not be carried over for  
15 any calendar year thereafter.

16 (6) Credits are available on a first in-time basis. The  
17 department must disallow any credits, or portion thereof, that would  
18 cause the total amount of credits claimed under this section during  
19 any calendar year to exceed three million five hundred thousand  
20 dollars. If this limitation is reached, the department must notify  
21 all Washington motion picture competitiveness programs that the  
22 annual statewide limit has been met. In addition, the department must  
23 provide written notice to any person who has claimed tax credits in  
24 excess of the limitation in this subsection. The notice must indicate  
25 the amount of tax due and provide that the tax be paid within thirty  
26 days from the date of the notice. The department may not assess  
27 penalties and interest as provided in chapter 82.32 RCW on the amount  
28 due in the initial notice if the amount due is paid by the due date  
29 specified in the notice, or any extension thereof.

30 (7) To claim a credit under this section, a person must  
31 electronically file with the department all returns, forms, and any  
32 other information required by the department, in an electronic format  
33 as provided or approved by the department. Any return, form, or  
34 information required to be filed in an electronic format under this  
35 section is not filed until received by the department in an  
36 electronic format. As used in this subsection, "returns" has the same  
37 meaning as "return" in RCW 82.32.050.

38 (8) No application is necessary for the tax credit. The person  
39 must keep records necessary for the department to verify eligibility  
40 under this section.

1           (9) A Washington motion picture competitiveness program must  
2 provide to the department, upon request, such information needed to  
3 verify eligibility for credit under this section, including  
4 information regarding contributions received by the program.

5           (10) The department may not allow any credit under this section  
6 before July 1, 2006.

7           (11) For the purposes of this section, "Washington motion picture  
8 competitiveness program" or "program" means an organization  
9 established pursuant to chapter 43.365 RCW.

10           (12) No credit may be earned for contributions made on or after  
11 July 1, ((2017)) 2019.

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