H-1796.1

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**SUBSTITUTE HOUSE BILL 1323**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** House Finance (originally sponsored by Representatives Fitzgibbon, Stokesbary, Macri, Barkis, and Leavitt)

AN ACT Relating to creating a business and occupation tax deduction for certain amounts received by zoological facilities; adding a new section to chapter 82.04 RCW; creating a new section; providing an effective date; and providing an expiration date.

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

NEW SECTION. **Sec.**  (1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter . . ., Laws of 2019 (section 2 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief to address inconsistencies in the tax law, as provided in RCW 82.32.808(2)(f).

(3) It is the legislature's specific public policy objective to provide educational and recreational opportunities for Washington citizens, spur economic development, and assist zoological facilities in fulfilling their public purpose.

(4) If the review finds that the zoological facilities increase their annual spending on programs that improve access for underserved populations through the use of community access admissions, school programming, transportation costs, and/or in-community programming, then the legislature intends to extend the expiration date of this tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to any data collected by the state.

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 those amounts received:

(a) By a zoological facility, which represents income derived from business activities conducted by the facility; or

(b) From the United States or any instrumentality thereof or from the state of Washington or any municipal corporation or subdivision thereof as compensation for, or to support zoological exhibitions, presentations, performances, or education programs provided by a zoological facility.

(2) For the purposes of this section, "zoological facility" means a nonprofit or local government facility accredited by the association of zoos and aquariums.

(3) This section expires January 1, 2030.

NEW SECTION. **Sec.**  This act takes effect January 1, 2020.

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