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**HOUSE BILL 1807**

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

**By** Representative Orcutt

AN ACT Relating to extending the tax preference for investment projects in distressed counties and community empowerment zones; amending RCW 82.60.040; creating a new section; 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 create or retain jobs, as indicated in RCW 82.32.808(2)(c).

(3) It is the legislature's specific public policy objective to assist communities experiencing high unemployment and economic stagnation by promoting and stimulating economic and employment opportunities.

(4) If a review finds that as a result of the capital investment incentivized by the tax preference, the taxpayer hires additional and retains additional employees for the deferral period, 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.

**Sec.**  RCW 82.60.040 and 2010 1st sp.s. c 16 s 6 are each amended to read as follows:

(1) The department must issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW on each eligible investment project.

(2) The department must keep a running total of all deferrals granted under this chapter during each fiscal biennium.

(3) This section expires July 1, ((~~2020~~)) 2030.

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