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**SUBSTITUTE SENATE BILL 6260**

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**State of Washington**

**54th Legislature**

**1996 Regular Session**

**By** Senate Committee on Transportation (originally sponsored by Senators Drew, Owen, Prince, Haugen, Prentice, Kohl, Wood, Long, Sheldon, Schow, Strannigan, Sellar, Finkbeiner, Heavey, Fairley, McAuliffe, Rasmussen, Quigley, Rinehart, Goings, Thibaudeau and Winsley)

Read first time 02/02/96.

1 AN ACT Relating to revising the state ride sharing tax credit;  
2 amending RCW 82.04.4453, 82.04.4454, 82.16.048, and 82.16.049; amending  
3 1994 c 270 s 6 (uncodified); adding a new section to chapter 82.04 RCW;  
4 and providing an expiration date.

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

6 **Sec. 1.** RCW 82.04.4453 and 1994 c 270 s 2 are each amended to read  
7 as follows:

8 (1) (~~Major~~) Employers in (the state's eight largest counties  
9 ~~affected by the commute trip reduction programs required under RCW~~  
10 ~~70.94.521 through 70.94.551)) this state who are taxable under this  
11 chapter and provide financial incentives to their employees for ride  
12 sharing, for using public transportation, or for using nonmotorized  
13 commuting before June 30, (~~1996~~) 2000, shall be allowed a credit for  
14 amounts paid to or on behalf of employees for ride sharing in vehicles  
15 carrying (~~four~~) two or more persons, for using public transportation,  
16 or for using nonmotorized commuting, not to exceed sixty dollars per  
17 employee per year. The credit shall be equal to the amount paid to or  
18 on behalf of each employee multiplied by fifty percent, but may not  
19 exceed sixty dollars per employee per year. For ride sharing in~~

1 vehicles carrying two persons, the credit shall be equal to the amount  
2 paid to or on behalf of each employee multiplied by thirty percent, but  
3 may not exceed sixty dollars per employee per year. The credit may not  
4 exceed the amount of tax that would otherwise be due under this  
5 chapter.

6 (2) Application for tax credit under this chapter may only be made  
7 (~~by major employers as defined by RCW 70.94.524 and~~) in the form and  
8 manner prescribed in rules adopted by the department (~~and in~~  
9 ~~consultation with the commute trip reduction task force~~).

10 (3) The credit shall be taken not more than once quarterly and not  
11 less than once annually against taxes due for the same calendar year in  
12 which the amounts for which credit is claimed were paid to or on behalf  
13 of employees for ride sharing, for using public transportation, or for  
14 using nonmotorized commuting and must be claimed by the due date of the  
15 last tax return for the calendar year in which the payment is made.

16 (4) The director shall on the 25th of February, May, August, and  
17 November of each year advise the state treasurer of the amount of  
18 credit taken during the preceding calendar quarter ending on the last  
19 day of December, March, June, and September, respectively.

20 (5) On the first of April, July, October, and January of each year,  
21 the state treasurer based upon information provided by the department  
22 shall deposit a sum equal to the dollar amount of the credit provided  
23 under subsection (1) of this section from the air pollution control  
24 account to the general fund.

25 (6) The commute trip reduction task force shall determine the  
26 effectiveness of this tax credit as part of its ongoing evaluation of  
27 the commute trip reduction law and report no later than December 1,  
28 (~~1996~~) 1999, to the legislative transportation committee.

29 (7) Any person who knowingly makes a false statement of a material  
30 fact in the application for a credit under subsection (1) of this  
31 section is guilty of a gross misdemeanor.

32 (8) A person may not receive credit for amounts paid to or on  
33 behalf of the same employee under both this section and RCW 82.16.048.

34 **Sec. 2.** RCW 82.04.4454 and 1994 c 270 s 3 are each amended to read  
35 as follows:

36 (1) The department shall keep a running total of all credits  
37 granted under (~~this chapter~~) RCW 82.04.4453 and 82.16.048 during each

1 calendar year, and shall disallow any credits that would cause the  
2 tabulation for any calendar year to exceed two million dollars.

3 (2) No employer shall be eligible for tax credits under RCW  
4 82.04.4453 and 82.16.048 in excess of two hundred thousand dollars in  
5 any calendar year.

6 (3) No employer shall be eligible for tax credits under RCW  
7 82.04.4453 in excess of the amount of tax that would otherwise be due  
8 under this chapter.

9 (4) No portion of an application for credit disallowed under this  
10 section may be carried back or carried forward.

11 **Sec. 3.** RCW 82.16.048 and 1994 c 270 s 4 are each amended to read  
12 as follows:

13 (1) (~~Major~~) Employers in (~~the state's eight largest counties~~  
14 ~~affected by the commute trip reduction programs required under RCW~~  
15 ~~70.94.521 through 70.94.551~~) this state who are taxable under this  
16 chapter and provide financial incentives to their employees for ride  
17 sharing, for using public transportation, or for using nonmotorized  
18 commuting before June 30, ((1996)) 2000, shall be allowed a credit for  
19 amounts paid to or on behalf of employees for ride sharing in vehicles  
20 carrying (~~four~~) two or more persons, for using public transportation,  
21 or for using nonmotorized commuting, not to exceed sixty dollars per  
22 employee per year. The credit shall be equal to the amount paid to or  
23 on behalf of each employee multiplied by fifty percent, but may not  
24 exceed sixty dollars per employee per year. For ride sharing in  
25 vehicles carrying two persons, the credit shall be equal to the amount  
26 paid to or on behalf of each employee multiplied by thirty percent, but  
27 may not exceed sixty dollars per employee per year. The credit may not  
28 exceed the amount of tax that would otherwise be due under this  
29 chapter.

30 (2) Application for tax credit under this chapter may only be made  
31 (~~by major employers as defined by RCW 70.94.524 and~~) in the form and  
32 manner prescribed in rules adopted by the department (~~and in~~  
33 ~~consultation with the commute trip reduction task force~~).

34 (3) The credit shall be taken not more than once quarterly and not  
35 less than once annually against taxes due for the same calendar year in  
36 which the amounts for which credit is claimed were paid to or on behalf  
37 of employees for ride sharing, for using public transportation, or for

1 using nonmotorized commuting and must be claimed by the due date of the  
2 last tax return for the calendar year in which the payment is made.

3 (4) The director shall on the 25th of February, May, August, and  
4 November of each year advise the state treasurer of the amount of  
5 credit taken during the preceding calendar quarter ending on the last  
6 day of December, March, June, and September, respectively.

7 (5) On the first of April, July, October, and January of each year,  
8 the state treasurer based upon information provided by the department  
9 shall deposit a sum equal to the dollar amount of the credit provided  
10 under subsection (1) of this section from the air pollution control  
11 account to the general fund.

12 (6) The commute trip reduction task force shall determine the  
13 effectiveness of this tax credit as part of its ongoing evaluation of  
14 the commute trip reduction law and report no later than December 1,  
15 (~~(1996)~~) 1999, to the legislative transportation committee.

16 (7) Any person who knowingly makes a false statement of a material  
17 fact in the application for a credit under subsection (1) of this  
18 section is guilty of a gross misdemeanor.

19 (8) A person may not receive credit for amounts paid to or on  
20 behalf of the same employee under both this section and RCW 82.04.4453.

21 **Sec. 4.** RCW 82.16.049 and 1994 c 270 s 5 are each amended to read  
22 as follows:

23 (1) The department shall keep a running total of all credits  
24 granted under (~~(this chapter)~~) RCW 82.04.4453 and 82.16.048 during each  
25 calendar year, and shall disallow any credits that would cause the  
26 tabulation for any calendar year to exceed two million dollars.

27 (2) No employer shall be eligible for tax credits under RCW  
28 82.04.4453 and 82.16.048 in excess of two hundred thousand dollars in  
29 any calendar year.

30 (3) No employer shall be eligible for tax credits under RCW  
31 82.16.048 in excess of the amount of tax that would otherwise be due  
32 under this chapter.

33 (4) No portion of an application for credit disallowed under this  
34 section may be carried back or carried forward.

35 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.04 RCW  
36 to read as follows:

1 The definitions set forth in this section apply to RCW 82.04.4453,  
2 82.04.4454, 82.16.048, and 82.16.049 unless the context clearly  
3 requires otherwise.

4 (1) "Public agency" means any county, city, or other local  
5 government agency or any state government agency, board, or commission.

6 (2) "Public transportation" means the same as "public  
7 transportation service" as defined in RCW 36.57A.010.

8 (3) "Nonmotorized commuting" means commuting to and from the  
9 workplace by an employee by walking or running or by riding a bicycle  
10 or other device not powered by a motor.

11 (4) "Ride sharing" means the same as "commuter ride sharing" as  
12 defined in RCW 46.74.010.

13 **Sec. 6.** 1994 c 270 s 6 (uncodified) is amended to read as follows:  
14 This act shall expire December 31, (~~1996~~) 2000.

15 NEW SECTION. **Sec. 7.** This act expires December 31, 2000.

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