

ESB 6003 - H COMM AMD
By Committee on Transportation

ADOPTED 04/24/2005

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 82.70.010 and 2003 c 364 s 1 are each amended to read
4 as follows:

5 The definitions in this section apply throughout this chapter and
6 RCW 70.94.996 unless the context clearly requires otherwise.

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

9 (2) "Public transportation" means the same as "public
10 transportation service" as defined in RCW 36.57A.010 and includes
11 passenger services of the Washington state ferries.

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

15 (4) "Ride sharing" means the same as "flexible commuter ride
16 sharing" as defined in RCW 46.74.010, including ride sharing on
17 Washington state ferries.

18 (5) "Car sharing" means a membership program intended to offer an
19 alternative to car ownership under which persons or entities that
20 become members are permitted to use vehicles from a fleet on an hourly
21 basis.

22 (6) "Telework" means a program where work functions that are
23 normally performed at a traditional workplace are instead performed by
24 an employee at his or her home at least one day a week for the purpose
25 of reducing the number of trips to the employee's workplace.

26 (7) "Applicant" means a person applying for a tax credit under this
27 chapter.

28 NEW SECTION. Sec. 2. A new section is added to chapter 82.70 RCW
29 to read as follows:

1 (1) Application for tax credits under this chapter must be received
2 by the department between the first day of January and the 31st day of
3 January, following the calendar year in which the applicant made
4 payments to or on behalf of employees for ride sharing in vehicles
5 carrying two or more persons, for using public transportation, for
6 using car sharing, or for using nonmotorized commuting. The
7 application shall be made to the department in a form and manner
8 prescribed by the department. The application shall contain
9 information regarding the number of employees for which incentives are
10 paid during the calendar year, the amounts paid to or on behalf of
11 employees for ride sharing in vehicles carrying two or more persons,
12 for using public transportation, for using car sharing, or for using
13 nonmotorized commuting, the amount of credit deferred under RCW
14 82.70.040(2)(b)(i) to be used, and other information required by the
15 department. For applications due by January 31, 2006, the application
16 shall not include amounts paid from January 1, 2005, through June 30,
17 2005, to or on behalf of employees for ride sharing in vehicles
18 carrying two or more persons, for using public transportation, for
19 using car sharing, or for using nonmotorized commuting.

20 (2) The department shall rule on the application within sixty days
21 of the deadline provided in subsection (1) of this section.

22 (3) The department shall disapprove any application not received by
23 the deadline provided in subsection (1) of this section regardless of
24 the reason that the application was received after the deadline.

25 (4) After an application is approved and tax credit granted, no
26 increase in the credit shall be allowed.

27 **Sec. 3.** RCW 82.70.020 and 2003 c 364 s 2 are each amended to read
28 as follows:

29 (1) Employers in this state who are taxable under chapter 82.04 or
30 82.16 RCW and provide financial incentives to their own or other
31 employees for ride sharing, for using public transportation, for using
32 car sharing, or for using nonmotorized commuting before July 1, 2013,
33 are allowed a credit against taxes payable under chapters 82.04 and
34 82.16 RCW for amounts paid to or on behalf of employees for ride
35 sharing in vehicles carrying two or more persons, for using public
36 transportation, for using car sharing, or for using nonmotorized
37 commuting, not to exceed sixty dollars per employee per fiscal year.

1 (2) Property managers who are taxable under chapter 82.04 or 82.16
2 RCW and provide financial incentives to persons employed at a worksite
3 in this state managed by the property manager for ride sharing, for
4 using public transportation, for using car sharing, or for using
5 nonmotorized commuting before July 1, 2013, are allowed a credit
6 against taxes payable under chapters 82.04 and 82.16 RCW for amounts
7 paid to or on behalf of these persons for ride sharing in vehicles
8 carrying two or more persons, for using public transportation, for
9 using car sharing, or for using nonmotorized commuting, not to exceed
10 sixty dollars per person per fiscal year.

11 (3) The credit under this section is equal to the amount paid to or
12 on behalf of each employee multiplied by fifty percent, but may not
13 exceed sixty dollars per employee per fiscal year. (~~The credit may~~
14 ~~not exceed the amount of tax that would otherwise be due under chapters~~
15 ~~82.04 and 82.16 RCW.)) No refunds may be granted for credits under
16 this section.~~

17 (4) A person may not receive credit under this section for amounts
18 paid to or on behalf of the same employee under both chapters 82.04 and
19 82.16 RCW.

20 (5) A person may not take a credit under this section for amounts
21 claimed for credit by other persons.

22 **Sec. 4.** RCW 82.70.030 and 2003 c 364 s 3 are each amended to read
23 as follows:

24 (~~(1) Application for tax credit under RCW 82.70.020 may only be~~
25 ~~made in the form and manner prescribed in rules adopted by the~~
26 ~~department.~~

27 ~~(2) The credit under this section must be taken or deferred under~~
28 ~~RCW 82.70.040 against taxes due for the same fiscal year in which the~~
29 ~~amounts for which credit is claimed were paid to or on behalf of~~
30 ~~employees for ride sharing, for using public transportation, for using~~
31 ~~car sharing, or for using nonmotorized commuting and must be claimed by~~
32 ~~the due date of the last tax return for the fiscal year in which the~~
33 ~~payment is made.~~

34 ~~(3))~~ Any person who knowingly makes a false statement of a
35 material fact in the application required under section 2 of this act
36 for a credit under RCW 82.70.020 is guilty of a gross misdemeanor.

1 **Sec. 5.** RCW 82.70.040 and 2003 c 364 s 4 are each amended to read
2 as follows:

3 (1)(a) The department shall keep a running total of all credits
4 (~~accrued~~) allowed under RCW 82.70.020 during each fiscal year. (~~No~~
5 ~~person is eligible for tax credits under RCW 82.70.020 if the credits~~
6 ~~would cause the tabulation for the total amount of credits taken in any~~
7 ~~fiscal year~~) The department shall not allow any credits that would
8 cause the total amount allowed to exceed two million (~~two~~) seven
9 hundred fifty thousand dollars in any fiscal year. This limitation
10 includes any deferred credits carried forward under subsection
11 (2)(b)(i) of this section from prior years.

12 (b) If the total amount of credit applied for by all applicants in
13 any year exceeds the limit in this subsection, the department shall
14 ratably reduce the amount of credit allowed for all applicants so that
15 the limit in this subsection is not exceeded. If a credit is reduced
16 under this subsection, the amount of the reduction may not be carried
17 forward and claimed in subsequent fiscal years.

18 (2)(a) (~~No person is eligible for~~) Tax credits under RCW
19 82.70.020 may not be claimed in excess of the amount of tax (~~that~~
20 ~~would~~) otherwise (~~be~~) due under chapter 82.04 or 82.16 RCW.

21 (b)(i) Through June 30, 2005, a person with taxes equal to or in
22 excess of the credit under RCW 82.70.020, and therefore not subject to
23 the limitation in (a) of this subsection, may elect to defer tax
24 credits for a period of not more than three years after the year in
25 which the credits accrue. No credits deferred under this subsection
26 (2)(b)(i) may be used after June 30, 2008. A person deferring tax
27 credits under this subsection (2)(b)(i) must submit an application as
28 provided in section 2 of this act in the year in which the deferred tax
29 credits will be (applied) used. This application is subject to
30 (eligibility under) the provisions of subsection (1) of this section
31 for the (fiscal) year in which the tax credits will be applied. If
32 a deferred credit is reduced under subsection (1)(b) of this section,
33 the amount of deferred credit disallowed because of the reduction may
34 be carried forward as long as the period of deferral does not exceed
35 three years after the year in which the credit was earned.

36 (ii) For credits approved by the department after June 30, 2005,
37 the approved credit may be carried forward to subsequent years until

1 used. Credits carried forward as authorized by this subsection are
2 subject to the limitation in subsection (1)(a) of this section for the
3 fiscal year for which the credits were originally approved.

4 (3) No person (~~is eligible~~) shall be approved for tax credits
5 under RCW 82.70.020 in excess of two hundred thousand dollars in any
6 fiscal year. This limitation does not apply to credits (~~deferred in~~)
7 carried forward from prior years under subsection (2)(b) of this
8 section.

9 (4) No person (~~is eligible for~~) may claim tax credits(~~(~~
10 ~~including deferred credits authorized under subsection (2)(b) of this~~
11 ~~section,~~) after June 30, 2013.

12 (5) Credits may not be carried forward (~~or carried backward~~)
13 other than as authorized in subsection (2)(b) of this section.

14 (6) No person is eligible for tax credits under RCW 82.70.020 if
15 the additional revenues for the multimodal transportation account
16 created by Engrossed Substitute House Bill No. 2231 are terminated.

17 NEW SECTION. Sec. 6. This act is necessary for the immediate
18 preservation of the public peace, health, or safety, or support of the
19 state government and its existing public institutions, and takes effect
20 July 1, 2005.

21 NEW SECTION. Sec. 7. If Senate Bill No. 6103, or substantially
22 similar legislation, is not enacted by June 30, 2005, this act is null
23 and void."

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