
SENATE BILL 5765

State of Washington

65th Legislature

2017 Regular Session

By Senator Hasegawa

Read first time 02/08/17. Referred to Committee on Ways & Means.

1 AN ACT Relating to repealing certain tax exemptions and
2 deductions to help pay for the full funding of basic education;
3 creating a new section; repealing RCW 82.04.315 and 82.04.540; and
4 providing an effective date.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the department
7 of revenue's 2016 tax exemption study states that there are six
8 hundred ninety-four tax exemptions in the state's tax code
9 attributing to over fifty billion dollars in taxpayers' savings from
10 state taxes. The legislature further finds that the state supreme
11 court has ruled that the state is not fully funding public education
12 as required in Article IX, section 1 of the state Constitution. The
13 legislature further finds that specific carve outs in the state tax
14 code for specific industries are not fair to other taxpaying
15 industries and helps to create an unequitable tax code. The
16 legislature further finds that the public good for creating tax
17 exemptions for international banking facilities and for professional
18 employer organizations does not outweigh the public good for
19 investing these tax expenditures into our public education.

1 NEW SECTION. **Sec. 2.** The following acts or parts of acts are
2 each repealed:

3 (1) RCW 82.04.315 (Exemptions—International banking facilities)
4 and 1982 c 95 s 7; and

5 (2) RCW 82.04.540 (Professional employer organizations—Taxable
6 under RCW 82.04.290(2)—Deduction) and 2006 c 301 s 1.

7 NEW SECTION. **Sec. 3.** This act takes effect August 1, 2017.

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