

E3SHB 1324 - S AMD TO WM COMM AMD (S-3982.1/19) **638**
By Senator Van De Wege

WITHDRAWN 04/16/2019

1 On page 7, line 30, after "~~(2024)~~" strike "2036" and insert
2 "2045"

3 On page 7, line 38, after "~~(2024)~~" strike "2036" and insert
4 "2045"

5 On page 7, line 39, after "~~(2024)~~" strike "2036" and insert
6 "2045"

7 On page 8, line 9, after "~~(2024)~~" strike "2036" and insert
8 "2045"

9 On page 8, line 10, after "~~(2024)~~" strike "2036" and insert
10 "2045"

11 On page 8, line 21, after "~~(2024)~~" strike "2036" and insert
12 "2045"

13 On page 8, line 22, after "~~(2024)~~" strike "2036" and insert
14 "2045"

15 Beginning on page 10, line 14, strike all of section 5 and insert
16 the following:

17 "**Sec. 5.** RCW 82.04.261 and 2017 c 323 s 501 are each amended to
18 read as follows:

19 (1) In addition to the taxes imposed under RCW 82.04.260(12), a
20 surcharge is imposed on those persons who are subject to any of the
21 taxes imposed under RCW 82.04.260(12). Except as otherwise provided
22 in this section, the surcharge is equal to 0.052 percent. The
23 surcharge is added to the rates provided in RCW 82.04.260(12) (a),
24 (b), (c), and (d). (~~The surcharge and this section expire July 1,~~
25 ~~2024.~~)

26 (2) All receipts from the surcharge imposed under this section
27 must be deposited into the forest and fish support account created in
28 RCW 76.09.405, with any receipts above eight million dollars per

1 biennium specifically used as additional funding for tribal
2 participation grants.

3 (3) (a) The surcharge imposed under this section is suspended if:

4 (i) Before July 1, 2024, receipts from the surcharge total at
5 least eight million five hundred thousand dollars during any fiscal
6 biennium; ((or))

7 ~~((The office of financial management certifies to the~~
8 ~~department that the federal government has appropriated at least two~~
9 ~~million dollars for participation in forest and fish report-related~~
10 ~~activities by federally recognized Indian tribes located within the~~
11 ~~geographical boundaries of the state of Washington for any federal~~
12 ~~fiscal year.)) Between July 1, 2024, and July 30, 2029, receipts from~~
13 the surcharge total at least nine million dollars during any fiscal
14 biennium; and

15 (iii) After July 30, 2029, the receipts from the surcharge total
16 at least nine million five hundred thousand dollars during any fiscal
17 biennium.

18 (b) ~~((i))~~ The suspension of the surcharge under ~~((a)(i) of)~~
19 this subsection (3) takes effect on the first day of the calendar
20 month that is at least thirty days after the end of the month during
21 which the department determines that receipts from the surcharge
22 total ~~((at least eight million dollars))~~ the values specified in this
23 subsection (3) during the fiscal biennium. The surcharge is imposed
24 again at the beginning of the following fiscal biennium.

25 ~~((ii) The suspension of the surcharge under (a)(ii) of this~~
26 ~~subsection (3) takes effect on the later of the first day of October~~
27 ~~of any federal fiscal year for which the federal government~~
28 ~~appropriates at least two million dollars for participation in forest~~
29 ~~and fish report-related activities by federally recognized Indian~~
30 ~~tribes located within the geographical boundaries of the state of~~
31 ~~Washington, or the first day of a calendar month that is at least~~
32 ~~thirty days following the date that the office of financial~~
33 ~~management makes a certification to the department under subsection~~
34 ~~(5) of this section. The surcharge is imposed again on the first day~~
35 ~~of the following July.~~

36 ~~(4)(a) If, by October 1st of any federal fiscal year, the office~~
37 ~~of financial management certifies to the department that the federal~~
38 ~~government has appropriated funds for participation in forest and~~
39 ~~fish report-related activities by federally recognized Indian tribes~~
40 ~~located within the geographical boundaries of the state of Washington~~

1 ~~but the amount of the appropriation is less than two million dollars,~~
2 ~~the department must adjust the surcharge in accordance with this~~
3 ~~subsection.~~

4 ~~(b) The department must adjust the surcharge by an amount that~~
5 ~~the department estimates will cause the amount of funds deposited~~
6 ~~into the forest and fish support account for the state fiscal year~~
7 ~~that begins July 1st and that includes the beginning of the federal~~
8 ~~fiscal year for which the federal appropriation is made, to be~~
9 ~~reduced by twice the amount of the federal appropriation for~~
10 ~~participation in forest and fish report-related activities by~~
11 ~~federally recognized Indian tribes located within the geographical~~
12 ~~boundaries of the state of Washington.~~

13 ~~(c) Any adjustment in the surcharge takes effect at the beginning~~
14 ~~of a calendar month that is at least thirty days after the date that~~
15 ~~the office of financial management makes the certification under~~
16 ~~subsection (5) of this section.~~

17 ~~(d) The surcharge is imposed again at the rate provided in~~
18 ~~subsection (1) of this section on the first day of the following~~
19 ~~state fiscal year unless the surcharge is suspended under subsection~~
20 ~~(3) of this section or adjusted for that fiscal year under this~~
21 ~~subsection.~~

22 ~~(e) Adjustments of the amount of the surcharge by the department~~
23 ~~are final and may not be used to challenge the validity of the~~
24 ~~surcharge imposed under this section.~~

25 ~~(f) The department must provide timely notice to affected~~
26 ~~taxpayers of the suspension of the surcharge or an adjustment of the~~
27 ~~surcharge.~~

28 ~~(5) The office of financial management must make the~~
29 ~~certification to the department as to the status of federal~~
30 ~~appropriations for tribal participation in forest and fish report-~~
31 ~~related activities.))~~

32 (4) This section expires July 1, 2045."

EFFECT: (1) Eliminates the requirement that the forest and fish B&O surtax is suspended if the federal government appropriates at least two million dollars for participation in forest and fish report related activities by federally recognized Indian tribes.

(2) Requires that any receipts of the surtax above \$8 million in a biennium must be used specifically for tribal participation grants.

(3) Increases the biennial B&O surtax collection threshold that triggers the suspension of the surtax as follows:

(a) In 2019, the threshold is increased from \$8 million to \$8.5 million;

(b) In 2024, the threshold is increased from \$8.5 million to \$9.0 million; and

(c) In 2029, the threshold is increased from \$9.0 million to \$9.5 million.

(4) Extends the expiration date for the timber tax incentives from 2036 to 2045.

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