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**2SHB 1213** - H AMD **440**

By Representative Young

**WITHDRAWN 03/09/2021**

 On page 26, after line 14, insert the following:

**"Sec. 313.** RCW 82.04.2905 and 1998 c 312 s 7 are each amended to read as follows:

((~~Upon~~)) (1) Except as provided in subsection (2) of this section, upon every person engaging within this state in the business of providing child care for periods of less than ((~~twenty-four~~)) 24 hours; as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds derived from such sales multiplied by the rate of 0.484 percent.

 (2)(a) Upon persons engaging within this state in the business of providing child care for periods of less than 24 hours from July 1, 2021, through June 30, 2031, who provide child care in the locations described in subsection (2)(b) of this section; as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds derived from such sales multiplied by the rate of 0.0013 percent.

 (b) The department of children, youth, and families shall analyze data from the last federal census to determine and make publicly available which zip codes in the state are in the top 10 percent of the most racially and ethnically diverse, considering the following groups:

 (i) Black or African American;

 (ii) American Indian and Alaska Native;

 (iii) Hispanic or Latinx;

 (iv) Asian; and

 (v) Other multiracial.

 (3) Subsection (2) of this section is exempt from the requirements of RCW 82.32.808.

 NEW SECTION. **Sec. 314.** A new section is added to chapter 82.04 RCW to read as follows:

 (1) This chapter does not apply to child care providers located in child care deserts.

 (2) For the purposes of this section, "child care desert" is defined as any census tract with at least 50 children under the age of five and either no child care providers or so few options that there are more than three times as many children under age five as licensed child care slots.

 (3) This section is exempt from the requirements of RCW 82.32.808 and RCW 82.32.805."

 Correct the title.

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|  |  EFFECT:  Reduces the business and occupation tax rate from 0.484 percent to .0013 percent from July 1, 2021, to June 30, 2031, for child care providers operating in the top 10 most racially diverse zip codes in the state as determined by the Department of Children, Youth, and Families. Exempts the tax preference from the tax preference performance statement requirements. Creates a business and occupation tax exemption for child care providers located in child care deserts. Exempts the tax exemption from the tax preference performance statement requirements.  |

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