

SSB 5565 - H COMM AMD
By Committee on Finance

ADOPTED 03/24/2023

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

3 **"Sec. 1.** RCW 19.150.060 and 2016 sp.s. c 6 s 1 are each amended
4 to read as follows:

5 (1) If a notice has been sent, as required by RCW 19.150.040, and
6 the total sum due has not been paid as of the date specified in the
7 preliminary lien notice, the lien proposed by this notice attaches as
8 of that date and the owner may deny an occupant access to the space,
9 enter the space, inventory the goods therein, and remove any property
10 found therein to a place of safe keeping. The owner must provide the
11 occupant a notice of final lien sale or final notice of disposition
12 by personal service, verified mail, or email to the occupant's last
13 known address and alternative address or email address. If the owner
14 sends notice required under this section to the occupant's last known
15 email address and does not receive a reply or receipt of delivery,
16 the owner must send a second notice to the occupant's last known
17 postal address by verified mail. The notice required under this
18 section must state all of the following:

19 (a) That the occupant's right to use the storage space has
20 terminated and that the occupant no longer has access to the stored
21 property.

22 (b) That the stored property is subject to a lien, and the amount
23 of the lien accrued and to accrue prior to the date required to be
24 specified in (c) of this subsection.

25 (c) That all the property, other than personal papers and
26 personal photographs, may be sold to satisfy the lien after a
27 specified date which is not less than (~~fourteen~~) 14 days from the
28 last date of sending of the final lien sale notice, or a minimum of
29 (~~forty-two~~) 42 days after the date when any part of the rent or
30 other charges due from the occupants remain unpaid, whichever is
31 later, unless the amount of the lien is paid. The owner is not
32 required to sell the personal property within a maximum number of

1 days of when the rent or other charges first became due. If the total
2 value of property in the storage space is less than three hundred
3 dollars, the owner may, instead of sale, dispose of the property in
4 any reasonable manner, subject to the restrictions of RCW
5 19.150.080(4). After the sale or other disposition pursuant to this
6 section has been completed, the owner shall provide an accounting of
7 the disposition of the proceeds of the sale or other disposition to
8 the occupant at the occupant's last known address and at the
9 alternative address.

10 (d) That any stored vehicles, watercraft, trailers, recreational
11 vehicles, or campers may be towed or removed from the self-service
12 storage facility in lieu of sale pursuant to RCW 19.150.160.

13 (e) That any excess proceeds of the sale or other disposition
14 under RCW 19.150.080(2) over the lien amount and reasonable costs of
15 sale will be retained by the owner and may be reclaimed by the
16 occupant, or claimed by another person, at any time for a period of
17 six months from the sale and that thereafter the proceeds will be
18 turned over to the state as abandoned property as provided in chapter
19 63.30 RCW ((~~63.29.165~~)).

20 (f) That any personal papers and personal photographs will be
21 retained by the owner and may be reclaimed by the occupant at any
22 time for a period of six months from the sale or other disposition of
23 property and that thereafter the owner may dispose of the personal
24 papers and photographs in a reasonable manner, subject to the
25 restrictions of RCW 19.150.080(3).

26 (g) That the occupant has no right to repurchase any property
27 sold at the lien sale.

28 (2) The owner may not send by email the notice required under
29 this section to the occupant's last known address or alternative
30 address unless:

31 (a) The occupant expressly agrees to notice by email;

32 (b) The rental agreement executed by the occupant specifies in
33 bold type that notices will be given to the occupant by email;

34 (c) The owner provides the occupant with the email address from
35 which notices will be sent and directs the occupant to modify his or
36 her email settings to allow email from that address to avoid any
37 filtration systems; and

38 (d) The owner notifies the occupant of any change in the email
39 address from which notices will be sent prior to the address change.

1 **Sec. 2.** RCW 19.150.080 and 2007 c 113 s 5 are each amended to
2 read as follows:

3 (1) After the expiration of the time given in the final notice of
4 lien sale pursuant to RCW 19.150.060, the property, other than
5 personal papers and personal photographs, may be sold or disposed of
6 in a reasonable manner as provided in this section.

7 (2) (a) If the property has a value of (~~three hundred dollars~~)
8 \$300 or more, the sale shall be conducted in a commercially
9 reasonable manner, and, after applying the proceeds to costs of the
10 sale and then to the amount of the lien, the owner shall retain any
11 excess proceeds of the sale on the occupant's behalf. The occupant,
12 or any other person having a court order or other judicial process
13 against the property, may claim the excess proceeds, or a portion
14 thereof sufficient to satisfy the particular claim, at any time
15 within six months of the date of sale.

16 (b) If the property has a value of less than (~~three hundred~~
17 ~~dollars~~) \$300, the property may be disposed of in a reasonable
18 manner.

19 (3) Personal papers and personal photographs that are not
20 reclaimed by the occupant within six months of a sale under
21 subsection (2) (a) of this section or other disposition under
22 subsection (2) (b) of this section may be disposed of in a reasonable
23 manner.

24 (4) No employee or owner, or family member of an employee or
25 owner, may acquire, directly or indirectly, the property sold
26 pursuant to subsection (2) (a) of this section or disposed of pursuant
27 to subsection (2) (b) of this section, or personal papers and personal
28 photographs disposed of under subsection (3) of this section.

29 (5) The owner is entitled to retain any interest earned on the
30 excess proceeds until the excess proceeds are claimed by another
31 person or are turned over to the state as abandoned property pursuant
32 to chapter 63.30 RCW (~~63.29.165~~).

33 **Sec. 3.** RCW 19.240.080 and 2004 c 168 s 9 are each amended to
34 read as follows:

35 An issuer is not required to honor a gift certificate presumed
36 abandoned under chapter 63.30 RCW (~~63.29.110~~7) if it is
37 reported(7) and delivered to the department of revenue in the
38 dissolution of a business association.

1 **Sec. 4.** RCW 19.240.900 and 2004 c 168 s 18 are each amended to
2 read as follows:

3 Sections 1 through 12 of this act apply to:

- 4 (1) Gift certificates issued on or after July 1, 2004; and
5 (2) Those gift certificates presumed abandoned on or after July
6 1, 2004, and not reported as provided in chapter 63.30 RCW
7 (~~63.29.170(4)~~).

8 **Sec. 5.** RCW 35.90.020 and 2020 c 139 s 59 are each amended to
9 read as follows:

10 (1) Except as otherwise provided in subsection (7) of this
11 section, a city that requires a general business license of any
12 person that engages in business activities within that city must
13 partner with the department to have such license issued, and renewed
14 if the city requires renewal, through the business licensing service
15 in accordance with chapter 19.02 RCW.

16 (a) Except as otherwise provided in subsection (3) of this
17 section, the department must phase in the issuance and renewal of
18 general business licenses of cities that required a general business
19 license as of July 1, 2017, and are not already partnering with the
20 department, as follows:

21 (i) Between January 1, 2018, and December 31, 2021, the
22 department must partner with at least six cities per year;

23 (ii) Between January 1, 2022, and December 31, 2027, the
24 department must partner with the remaining cities; or

25 (iii) Between July 1, 2017 and December 31, 2022, the department
26 must partner with all cities requiring a general business license if
27 specific funding for the purposes of this subsection (1)(a)(iii) is
28 appropriated in the omnibus appropriations act.

29 (b) A city that imposes a general business license requirement
30 and does not partner with the department as of January 1, 2018, may
31 continue to issue and renew its general business licenses until the
32 city partners with the department as provided in subsection (4) of
33 this section.

34 (2)(a) A city that did not require a general business license as
35 of July 1, 2017, but imposes a new general business license
36 requirement after that date must advise the department in writing of
37 its intent to do so at least (~~ninety~~) 90 days before the
38 requirement takes effect.

1 (b) If a city subject to (a) of this subsection (2) imposes a new
2 general business license requirement after July 1, 2017, the
3 department, in its sole discretion, may adjust resources to partner
4 with the imposing city as of the date that the new general business
5 licensing requirement takes effect. If the department cannot
6 reallocate resources, the city may issue and renew its general
7 business license until the department is able to partner with the
8 city.

9 (3) The department may delay assuming the duties of issuing and
10 renewing general business licenses beyond the dates provided in
11 subsection (1)(a) of this section if:

12 (a) Insufficient funds are appropriated for this specific
13 purpose;

14 (b) The department cannot ensure the business licensing system is
15 adequately prepared to handle all general business licenses due to
16 unforeseen circumstances;

17 (c) The department determines that a delay is necessary to ensure
18 that the transition to mandatory department issuance and renewal of
19 general business licenses is as seamless as possible; or

20 (d) The department receives a written notice from a city within
21 (~~sixty~~) 60 days of the date that the city appears on the
22 department's biennial partnership plan, which includes an explanation
23 of the fiscal or technical challenges causing the city to delay
24 joining the system. A delay under this subsection (3)(d) may be for
25 no more than three years.

26 (4)(a) In consultation with affected cities and in accordance
27 with the priorities established in subsection (5) of this section,
28 the department must establish a biennial plan for partnering with
29 cities to assume the issuance and renewal of general business
30 licenses as required by this section. The plan must identify the
31 cities that the department will partner with and the dates targeted
32 for the department to assume the duties of issuing and renewing
33 general business licenses.

34 (b) By January 1, 2018, and January 1st of each even-numbered
35 year thereafter until the department has partnered with all cities
36 that currently impose a general business license requirement and that
37 have not declined to partner with the department under subsection (7)
38 of this section, the department must submit the partnering plan
39 required in (a) of this subsection (4) to the governor; legislative
40 fiscal committees; house local government committee; senate financial

1 institutions, economic development and trade committee; senate local
2 government committee; affected cities; association of Washington
3 cities; association of Washington business; national federation of
4 independent business; and Washington retail association.

5 (c) The department may, in its sole discretion, alter the plan
6 required in (a) of this subsection (4) with a minimum notice of
7 (~~(thirty)~~) 30 days to affected cities.

8 (5) When determining the plan to partner with cities for the
9 issuance and renewal of general business licenses as required in
10 subsection (4) of this section, cities that notified the department
11 of their wish to partner with the department before January 1, 2017,
12 must be allowed to partner before other cities.

13 (6) A city that partners with the department for the issuance and
14 renewal of general business licenses through the business licensing
15 service in accordance with chapter 19.02 RCW may not issue and renew
16 those licenses.

17 (7) (a) Except as provided in (b) of this subsection, a city may
18 decline to partner with the department for the issuance and renewal
19 of a general business license as provided in subsection (1) of this
20 section if the city participates in the online local business license
21 and tax filing portal known as "FileLocal" as of July 1, 2020.

22 (b) A city that receives at least (~~(one million nine hundred~~
23 ~~fifty thousand dollars)~~) \$1,950,000 in fiscal year 2020 for temporary
24 streamlined sales tax mitigation under the 2019 omnibus
25 appropriations act, section 722, chapter 415, Laws of 2019, may
26 decline to partner with the department for the issuance and renewal
27 of a general business license as provided in subsection (1) of this
28 section if the city participates in FileLocal as of July 1, 2021.

29 (c) For the purposes of this subsection (7), a city is considered
30 to be a FileLocal participant as of the date that a business may
31 access FileLocal for purposes of applying for or renewing that city's
32 general business license and reporting and paying that city's local
33 business and occupation taxes. A city that ceases participation in
34 FileLocal after July 1, 2020, or July 1, 2021, in the case of a city
35 eligible for the extension under (b) of this subsection, must partner
36 with the department for the issuance and renewal of its general
37 business license as provided in subsection (1) of this section.

38 (~~(8) By January 1, 2019, and each January 1st thereafter through~~
39 ~~January 1, 2028, the department must submit a progress report to the~~
40 ~~legislature. The report required by this subsection must provide~~

1 ~~information about the progress of the department's efforts to partner~~
2 ~~with all cities that impose a general business license requirement~~
3 ~~and include:~~

4 ~~(a) A list of cities that have partnered with the department as~~
5 ~~required in subsection (1) of this section;~~

6 ~~(b) A list of cities that have not partnered with the department;~~

7 ~~(c) A list of cities that are scheduled to partner with the~~
8 ~~department during the upcoming calendar year;~~

9 ~~(d) A list of cities that have declined to partner with the~~
10 ~~department as provided in subsection (7) of this section;~~

11 ~~(e) An explanation of lessons learned and any process~~
12 ~~efficiencies incorporated by the department;~~

13 ~~(f) Any recommendations to further simplify the issuance and~~
14 ~~renewal of general business licenses by the department; and~~

15 ~~(g) Any other information the department considers relevant.)~~

16 **Sec. 6.** RCW 59.18.312 and 2011 c 132 s 17 are each amended to
17 read as follows:

18 (1) A landlord shall, upon the execution of a writ of restitution
19 by the sheriff, enter and take possession of any property of the
20 tenant found on the premises. The landlord may store the property in
21 any reasonably secure place, including the premises, and sell or
22 dispose of the property as provided under subsection (3) of this
23 section. The landlord must store the property if the tenant serves a
24 written request to do so on the landlord or the landlord's
25 representative by any of the methods described in RCW 59.18.365 no
26 later than three days after service of the writ. A landlord may elect
27 to store the property without such a request unless the tenant or the
28 tenant's representative objects to the storage of the property. If
29 the tenant or the tenant's representative objects to the storage of
30 the property or the landlord elects not to store the property because
31 the tenant has not served a written request on the landlord to do so,
32 the property shall be deposited upon the nearest public property and
33 may not be stored by the landlord. If the landlord knows that the
34 tenant is a person with a disability as defined in RCW 49.60.040 (as
35 amended by chapter 317, Laws of 2007) and the disability impairs or
36 prevents the tenant or the tenant's representative from making a
37 written request for storage, it must be presumed that the tenant has
38 requested the storage of the property as provided in this section
39 unless the tenant objects in writing.

1 (2) Property stored under this section shall be returned to the
2 tenant after the tenant has paid the actual or reasonable drayage and
3 storage costs, whichever is less, or until it is sold or disposed of
4 by the landlord in accordance with subsection (3) of this section.

5 (3) Prior to the sale of property stored pursuant to this section
6 with a cumulative value of over (~~two hundred fifty dollars~~) \$250,
7 the landlord shall notify the tenant of the pending sale. After
8 (~~thirty~~) 30 days from the date the notice of the sale is mailed or
9 personally delivered to the tenant's last known address, the landlord
10 may sell the property, including personal papers, family pictures,
11 and keepsakes, and dispose of any property not sold.

12 If the property that is being stored has a cumulative value of
13 (~~two hundred fifty dollars~~) \$250 or less, then the landlord may
14 sell or dispose of the property in the manner provided in this
15 section, except for personal papers, family pictures, and keepsakes.
16 Prior to the sale or disposal of property stored pursuant to this
17 section with a cumulative value of (~~two hundred fifty dollars~~) \$250
18 or less, the landlord shall notify the tenant of the pending sale or
19 disposal. The notice shall either be mailed to the tenant's last
20 known address or personally delivered to the tenant. After seven days
21 from the date the notice is mailed or delivered to the tenant, the
22 landlord may sell or dispose of the property.

23 The landlord may apply any income derived from the sale of the
24 tenant's property against moneys due the landlord for drayage and
25 storage of the property. The amount of sale proceeds that the
26 landlord may apply towards such costs may not exceed the actual or
27 reasonable costs for drayage and storage of the property, whichever
28 is less. Any excess income derived from the sale of such property
29 shall be held by the landlord for the benefit of the tenant for a
30 period of one year from the date of the sale. If no claim is made or
31 action commenced by the tenant for the recovery of the excess income
32 prior to the expiration of that period of time, then the balance
33 shall be treated as abandoned property and deposited by the landlord
34 with the department of revenue pursuant to chapter (~~63.29~~) 63.30
35 RCW.

36 (4) Nothing in this section shall be construed as creating a
37 right of distress for rent.

38 (5) When serving a tenant with a writ of restitution pursuant to
39 RCW 59.12.100 and 59.18.410, the sheriff shall provide written notice
40 to the tenant that: (a) Upon execution of the writ, the landlord must

1 store the tenant's property only if the tenant serves a written
2 request on the landlord to do so no later than three days after
3 service of the writ; (b) the notice to the landlord requesting
4 storage may be served by personally delivering or mailing a copy of
5 the request to the landlord at the address identified in, or by
6 facsimile to the facsimile number listed on, the form described under
7 subsection (6) of this section; (c) if the tenant has not made such a
8 written request to the landlord, the landlord may elect to either
9 store the tenant's property or place the tenant's property on the
10 nearest public property unless the tenant objects; (d) if the
11 property is stored, it may not be returned to the tenant unless the
12 tenant pays the actual or reasonable costs of drayage and storage,
13 whichever is less, within (~~thirty~~) 30 days; (e) if the tenant or
14 the tenant's representative objects to storage of the property, it
15 will not be stored but will be placed on the nearest public property;
16 and (f) the landlord may sell or otherwise dispose of the property as
17 provided in subsection (3) of this section if the landlord provides
18 written notice to the tenant first.

19 (6) When serving a tenant with a writ of restitution under
20 subsection (5) of this section, the sheriff shall also serve the
21 tenant with a form provided by the landlord that can be used to
22 request the landlord to store the tenant's property, which must be
23 substantially in the following form:

24 REQUEST FOR STORAGE OF PERSONAL PROPERTY

25

26 Name of Plaintiff

27

28 Name(s) of Tenant(s)

29 I/we hereby request the landlord to store our personal property.
30 I/we understand that I/we am/are responsible for the actual or
31 reasonable costs of moving and storing the property, whichever is
32 less. If I/we fail to pay these costs, the landlord may sell or
33 dispose of the property pursuant to and within the time frame
34 permitted under RCW 59.18.312(3).

35 Any notice of sale required under RCW 59.18.312(3) must be sent
36 to the tenants at the following address:

1
2
3

4 IF NO ADDRESS IS PROVIDED, NOTICE OF SALE WILL BE SENT TO THE LAST
5 KNOWN ADDRESS OF THE TENANT(S)

6 Dated:

7

8 Tenant-Print Name

9

10 Tenant-Print Name

11 This notice may be delivered or mailed to the landlord or the
12 landlord's representative at the following address:

13
14
15

16 This notice may also be served by facsimile to the landlord or the
17 landlord's representative at:

18

19 Facsimile Number

20 IMPORTANT

21 IF YOU WANT YOUR LANDLORD TO STORE YOUR PROPERTY, THIS WRITTEN
22 REQUEST MUST BE RECEIVED BY THE LANDLORD NO LATER THAN THREE (3) DAYS
23 AFTER THE SHERIFF SERVES THE WRIT OF RESTITUTION. YOU SHOULD RETAIN
24 PROOF OF SERVICE.

25 **Sec. 7.** RCW 59.18.595 and 2015 c 264 s 3 are each amended to
26 read as follows:

27 (1) In the event of the death of a tenant who is the sole
28 occupant of the dwelling unit:

29 (a) The landlord, upon learning of the death of the tenant, shall
30 promptly mail or personally deliver written notice to any known
31 personal representative, known designated person, emergency contact
32 identified by the tenant on the rental application, known person
33 reasonably believed to be a successor of the tenant as defined in RCW

1 11.62.005, and to the deceased tenant at the address of the dwelling
2 unit. If the landlord knows of any address used for the receipt of
3 electronic communications, the landlord shall email the notice to
4 that address as well. The notice must include:

5 (i) The name of the deceased tenant and address of the dwelling
6 unit;

7 (ii) The approximate date of the deceased tenant's death;

8 (iii) The rental amount and date through which rent is paid;

9 (iv) A statement that the tenancy will terminate (~~((fifteen))~~) 15
10 days from the date the notice is mailed or personally delivered or
11 the date through which rent is paid, whichever comes later, unless
12 during that time period a tenant representative makes arrangements
13 with the landlord to pay rent in advance for no more than (~~((sixty))~~)
14 60 days from the date of the tenant's death to allow a tenant
15 representative to arrange for orderly removal of the tenant's
16 property. At the end of the period for which the rent has been paid
17 pursuant to this subsection, the tenancy ends;

18 (v) A statement that failure to remove the tenant's property
19 before the tenancy is terminated or ends as provided in (a)(iv) of
20 this subsection will allow the landlord to enter the dwelling unit
21 and take possession of any property found on the premises, store it
22 in a reasonably secure place, and charge the actual or reasonable
23 costs, whichever is less, of drayage and storage of the property, and
24 after service of a second notice sell or dispose of the property as
25 provided in subsection (3) of this section; and

26 (vi) A copy of any designation executed by the tenant pursuant to
27 RCW 59.18.590;

28 (b) The landlord shall turn over possession of the tenant's
29 property to a tenant representative if a request is made in writing
30 within the specified time period or any subsequent date agreed to by
31 the parties;

32 (c) Within (~~((fourteen))~~) 14 days after the removal of the property
33 by the tenant representative, the landlord shall refund any unearned
34 rent and shall give a full and specific statement of the basis for
35 retaining any deposit together with the payment of any refund due the
36 deceased tenant under the terms and conditions of the rental
37 agreement to the tenant representative; and

38 (d) Any tenant representative who removes property from the
39 tenant's dwelling unit or the premises must, at the time of removal,
40 provide to the landlord an inventory of the removed property and

1 signed acknowledgment that he or she has only been given possession
2 and not ownership of the property.

3 (2) A landlord shall send a second written notice before selling
4 or disposing of a deceased tenant's property.

5 (a) If the tenant representative makes arrangements with the
6 landlord to pay rent in advance as provided in subsection (1)(a)(iv)
7 of this section, the landlord shall mail a second written notice to
8 any known personal representative, known designated person, emergency
9 contact identified by the tenant on the rental application, known
10 person reasonably believed to be a successor of the tenant as defined
11 in RCW 11.62.005, and to the deceased tenant at the dwelling unit.
12 The second notice must include:

13 (i) The name, address, and phone number or other contact
14 information for the tenant representative, if known, who made the
15 arrangements to pay rent in advance;

16 (ii) The amount of rent paid in advance and date through which
17 rent was paid; and

18 (iii) A statement that the landlord may sell or dispose of the
19 property on or after the date through which rent is paid or at least
20 (~~forty-five~~) 45 days after the second notice is mailed, whichever
21 comes later, if a tenant representative does not claim and remove the
22 property in accordance with this subsection.

23 (b) If the landlord places the property in storage pursuant to
24 subsection (1)(a) of this section, the landlord shall mail a second
25 written notice, unless a written notice under (a) of this subsection
26 has already been provided, to any known personal representative,
27 known designated person, emergency contact identified by the tenant
28 on the rental application, known person reasonably believed to be a
29 successor of the tenant as defined in RCW 11.62.005, and to the
30 deceased tenant at the dwelling unit. The second notice must state
31 that the landlord may sell or dispose of the property on or after a
32 specified date that is at least (~~forty-five~~) 45 days after the
33 second notice is mailed if a tenant representative does not claim and
34 remove the property in accordance with this subsection.

35 (c) The landlord shall turn over possession of the tenant's
36 property to a tenant representative if a written request is made
37 within the applicable time periods after the second notice is mailed,
38 provided the tenant representative: (i) Pays the actual or reasonable
39 costs, whichever is less, of drayage and storage of the property, if
40 applicable; and (ii) gives the landlord an inventory of the property

1 and signs an acknowledgment that he or she has only been given
2 possession and not ownership of the property.

3 (d) Within (~~fourteen~~) 14 days after the removal of the property
4 by the tenant representative, the landlord shall refund any unearned
5 rent and shall give a full and specific statement of the basis for
6 retaining any deposit together with the payment of any refund due the
7 deceased tenant under the terms and conditions of the rental
8 agreement to the tenant representative.

9 (3) (a) If a tenant representative has not contacted the landlord
10 or removed the deceased tenant's property within the applicable time
11 periods under this section, the landlord may sell or dispose of the
12 deceased tenant's property, except for personal papers and personal
13 photographs, as provided in this subsection.

14 (i) If the landlord reasonably estimates the fair market value of
15 the stored property to be more than (~~one thousand dollars~~) \$1,000,
16 the landlord shall arrange to sell the property in a commercially
17 reasonable manner and may dispose of any property that remains unsold
18 in a reasonable manner.

19 (ii) If the value of the stored property does not meet the
20 threshold provided in (a) (i) of this subsection, the landlord may
21 dispose of the property in a reasonable manner.

22 (iii) The landlord may apply any income derived from the sale of
23 the property pursuant to this section against any costs of sale and
24 moneys due the landlord, including actual or reasonable costs,
25 whichever is less, of drayage and storage of the deceased tenant's
26 property. Any excess income derived from the sale of such property
27 under this section must be held by the landlord for a period of one
28 year from the date of sale, and if no claim is made for recovery of
29 the excess income before the expiration of that one-year period, the
30 balance must be treated as abandoned property and deposited by the
31 landlord with the department of revenue pursuant to chapter (~~63.29~~)
32 63.30 RCW.

33 (b) Personal papers and personal photographs that are not claimed
34 by a tenant representative within (~~ninety~~) 90 days after a sale or
35 other disposition of the deceased tenant's other property shall be
36 either destroyed or held for the benefit of any successor of the
37 deceased tenant as defined in RCW 11.62.005.

38 (c) No landlord or employee of a landlord, or his or her family
39 members, may acquire, directly or indirectly, the property sold

1 pursuant to (a)(i) of this subsection or disposed of pursuant to
2 (a)(ii) of this subsection.

3 (4) Upon learning of the death of the tenant, the landlord may
4 enter the deceased tenant's dwelling unit and immediately dispose of
5 any perishable food, hazardous materials, and garbage found on the
6 premises and turn over animals to a tenant representative or to an
7 animal control officer, humane society, or other individual or
8 organization willing to care for the animals.

9 (5) Any notices sent by the landlord under this section must
10 include a mailing address, any address used for the receipt of
11 electronic communications, and a telephone number of the landlord.

12 (6) If a landlord knowingly violates this section, the landlord
13 is liable to the deceased tenant's estate for actual damages. The
14 prevailing party in any action pursuant to this subsection may
15 recover costs and reasonable attorneys' fees.

16 (7) A landlord who complies with this section is relieved from
17 any liability relating to the deceased tenant's property.

18 **Sec. 8.** RCW 63.30.040 and 2022 c 225 s 201 are each amended to
19 read as follows:

20 Subject to RCW 63.30.120, the following property is presumed
21 abandoned if it is unclaimed by the apparent owner during the period
22 specified below:

23 (1) A traveler's check, 15 years after issuance;

24 (2) A money order, five years after issuance;

25 (3) A state or municipal bond, bearer bond, or original issue
26 discount bond, three years after the earliest of the date the bond
27 matures or is called or the obligation to pay the principal of the
28 bond arises;

29 (4) A debt of a business association, three years after the
30 obligation to pay arises;

31 (5) A demand, savings, or time deposit, including a deposit that
32 is automatically renewable, three years after the later of maturity,
33 if applicable, of the deposit or the owner's last indication of
34 interest in the deposit, except a deposit that is automatically
35 renewable is deemed matured on its initial date of maturity unless
36 the apparent owner consented in a record on file with the holder to
37 renewal at or about the time of the renewal;

38 (6) Money or a credit owed to a customer as a result of a retail
39 business transaction, three years after the obligation arose;

1 (7) An amount owed by an insurance company on a life or endowment
2 insurance policy or an annuity contract that has matured or
3 terminated, three years after the obligation to pay arose under the
4 terms of the policy or contract or, if a policy or contract for which
5 an amount is owed on proof of death has not matured by proof of the
6 death of the insured or annuitant, as follows:

7 (a) With respect to an amount owed on a life or endowment
8 insurance policy, three years after the earlier of the date:

9 (i) The insurance company has knowledge of the death of the
10 insured; or

11 (ii) The insured has attained, or would have attained if living,
12 the limiting age under the mortality table on which the reserve for
13 the policy is based; and

14 (b) With respect to an amount owed on an annuity contract, three
15 years after the date the insurance company has knowledge of the death
16 of the annuitant;

17 (8) Property distributable by a business association in the
18 course of dissolution, one year after the property becomes
19 distributable;

20 (9) Property held by a court, including property received as
21 proceeds of a class action, one year after the property becomes
22 distributable;

23 (10) Property held by a government or governmental subdivision,
24 agency, or instrumentality, including municipal bond interest and
25 unredeemed principal under the administration of a paying agent or
26 indenture trustee, one year after the property becomes distributable;

27 (11) Wages, commissions, bonuses, or reimbursements to which an
28 employee is entitled, or other compensation for personal services,
29 one year after the amount becomes payable;

30 (12) A deposit or refund owed to a subscriber by a utility, one
31 year after the deposit or refund becomes payable; (~~and~~)

32 (13) Payroll card, one year after the amount becomes payable;
33 (~~and~~)

34 (14) Excess proceeds from the sale of property by an owner of a
35 self-service storage facility conducted pursuant to RCW 19.150.080,
36 six months from the date of sale;

37 (15) Excess income from the sale of tenant property by a landlord
38 conducted pursuant to RCW 59.18.312 and 59.18.595, one year from the
39 date of the sale;

1 (16) Excess funds from the sale of an abandoned vessel by an
2 operator of a private moorage facility conducted pursuant to RCW
3 88.26.020, one year from the date of the sale; and

4 (17) Property not specified in this section or RCW 63.30.050
5 through 63.30.100, the earlier of three years after the owner first
6 has a right to demand the property or the obligation to pay or
7 distribute the property arises.

8 **Sec. 9.** RCW 82.04.4489 and 2022 c 270 s 5 are each amended to
9 read as follows:

10 (1) Subject to the limitations in this section, a credit is
11 allowed against the tax imposed under this chapter for contributions
12 made by a person to a Washington motion picture competitiveness
13 program.

14 (2) The person must make the contribution before claiming a
15 credit authorized under this section. Credits earned under this
16 section may be claimed against taxes due for the calendar year in
17 which the contribution is made. The amount of credit claimed for a
18 reporting period may not exceed the tax otherwise due under this
19 chapter for that reporting period. No person may claim more than
20 \$1,000,000 of credit in any calendar year, including credit carried
21 over from a previous calendar year. No refunds may be granted for any
22 unused credits.

23 (3) The maximum credit that may be earned for each calendar year
24 under this section for a person is limited to the lesser of
25 \$1,000,000 or an amount equal to (~~one hundred~~) 100 percent of the
26 contributions made by the person to a program during the calendar
27 year.

28 (4) Except as provided under subsection (5) of this section, a
29 tax credit claimed under this section may not be carried over to
30 another year.

31 (5) Any amount of tax credit otherwise allowable under this
32 section not claimed by the person in any calendar year may be carried
33 over and claimed against the person's tax liability for the next
34 succeeding calendar year. Any credit remaining unused in the next
35 succeeding calendar year may be carried forward and claimed against
36 the person's tax liability for the second succeeding calendar year;
37 and any credit not used in that second succeeding calendar year may
38 be carried over and claimed against the person's tax liability for

1 the third succeeding calendar year, but may not be carried over for
2 any calendar year thereafter.

3 (6) Credits are available on a first-in-time basis. The
4 department must disallow any credits, or portion thereof, that would
5 cause the total amount of credits claimed under this section during
6 any calendar year to exceed \$15,000,000. If this limitation is
7 reached, the department must notify all Washington motion picture
8 competitiveness programs that the annual statewide limit has been
9 met. In addition, the department must provide written notice to any
10 person who has claimed tax credits in excess of the limitation in
11 this subsection. The notice must indicate the amount of tax due and
12 provide that the tax be paid within (~~thirty~~) 30 days from the date
13 of the notice. The department may not assess penalties and interest
14 as provided in chapter 82.32 RCW on the amount due in the initial
15 notice if the amount due is paid by the due date specified in the
16 notice, or any extension thereof.

17 (7) To claim a credit under this section, a person must
18 electronically file with the department all returns, forms, and any
19 other information required by the department, in an electronic format
20 as provided or approved by the department. Any return, form, or
21 information required to be filed in an electronic format under this
22 section is not filed until received by the department in an
23 electronic format. As used in this subsection, "returns" has the same
24 meaning as "return" in RCW 82.32.050.

25 (8) No application is necessary for the tax credit. The person
26 must keep records necessary for the department to verify eligibility
27 under this section.

28 (9) A Washington motion picture competitiveness program must
29 provide to the department, upon request, such information needed to
30 verify eligibility for credit under this section, including
31 information regarding contributions received by the program.

32 (10) The department may not allow any credit under this section
33 before July 1, 2006.

34 (11) For the purposes of this section, "Washington motion picture
35 competitiveness program" or "program" means an organization
36 established pursuant to chapter 43.365 RCW.

37 (12) Persons claiming a credit against the tax imposed under this
38 chapter for contributions made to a Washington motion picture
39 competitiveness program (~~and not otherwise receiving funding~~)

1 ~~assistance under RCW 43.365.020~~) are exempt from the annual
2 reporting requirements in RCW 82.32.534 and 43.365.040.

3 (13) No credit may be earned for contributions made on or after
4 July 1, 2030.

5 **Sec. 10.** RCW 82.08.0206 and 2022 c 41 s 1 and 2022 c 33 s 1 are
6 each reenacted and amended to read as follows:

7 (1) A working families' tax credit, in the form of a refund of
8 tax due under this chapter and chapter 82.12 RCW, is provided to
9 eligible low-income persons for sales and use taxes paid under this
10 chapter and chapter 82.12 RCW after January 1, 2022.

11 (2) For purposes of the credit in this section, the following
12 definitions apply:

13 (a) (i) "Eligible low-income person" means an individual who:

14 (A) Is eligible for the credit provided in Title 26 U.S.C. Sec.
15 32 of the internal revenue code; and

16 (B) Properly files a federal income tax return for the prior
17 federal tax year, and was a Washington resident during the year for
18 which the credit is claimed.

19 (ii) "Eligible low-income person" also means an individual who:

20 (A) Meets the requirements provided in (a) (i) (B) of this
21 subsection; and

22 (B) Would otherwise qualify for the credit provided in Title 26
23 U.S.C. Sec. 32 of the internal revenue code except for the fact that
24 the individual filed a federal income tax return for the prior
25 federal tax year using a valid individual taxpayer identification
26 number in lieu of a social security number, and the individual's
27 spouse, if any, and all qualifying children, if any, have a valid
28 individual taxpayer identification number or a social security
29 number.

30 (b) "Income" means earned income as defined by Title 26 U.S.C.
31 Sec. 32 of the internal revenue code.

32 (c) "Individual" means an individual or an individual and that
33 individual's spouse if they file a federal joint income tax return.

34 (d) "Internal revenue code" means the United States internal
35 revenue code of 1986, as amended, as of June 9, 2022, or such
36 subsequent date as the department may provide by rule consistent with
37 the purpose of this section.

38 (e) "Maximum qualifying income" means the maximum federally
39 adjusted gross income for the prior federal tax year.

1 (f) "Qualifying child" means a qualifying child as defined by
2 Title 26 U.S.C. Sec. 32 of the internal revenue code, except the
3 child may have a valid individual taxpayer identification number in
4 lieu of a social security number.

5 (g) "Washington resident" means an individual who is physically
6 present and residing in this state for at least 183 days. "Washington
7 resident" also includes an individual who is not physically present
8 and residing in this state for at least 183 days but is the spouse of
9 a Washington resident. For purposes of this subsection, "day" means a
10 calendar day or any portion of a calendar day.

11 (3) (a) Except as provided in (b) and (c) of this subsection, for
12 calendar year 2023 and thereafter, the working families' tax credit
13 refund amount for the prior calendar year is:

- 14 (i) \$300 for eligible persons with no qualifying children;
- 15 (ii) \$600 for eligible persons with one qualifying child;
- 16 (iii) \$900 for eligible persons with two qualifying children; or
- 17 (iv) \$1,200 for eligible persons with three or more qualifying
18 children.

19 (b) Except as provided in (f) of this subsection, the refund
20 amounts provided in (a) of this subsection will be reduced, rounded
21 to the nearest dollar, as follows:

22 (i) For eligible persons with no qualifying children, beginning
23 at \$2,500 of income below the federal phase-out income for the prior
24 federal tax year, by 18 percent per additional dollar of income until
25 the minimum credit amount as specified in (c) of this subsection is
26 reached.

27 (ii) For eligible persons with one qualifying child, beginning at
28 \$5,000 of income below the federal phase-out income for the prior
29 federal tax year, by 12 percent per additional dollar of income until
30 the minimum credit amount as specified in (c) of this subsection is
31 reached.

32 (iii) For eligible persons with two qualifying children,
33 beginning at \$5,000 of income below the federal phase-out income for
34 the prior federal tax year, by 15 percent per additional dollar of
35 income until the minimum credit amount as specified in (c) of this
36 subsection is reached.

37 (iv) For eligible persons with three or more qualifying children,
38 beginning at \$5,000 of income below the federal phase-out income for
39 the prior federal tax year, by 18 percent per additional dollar of

1 income until the minimum credit amount as specified in (c) of this
2 subsection is reached.

3 (c) If the refund for an eligible person as calculated in this
4 section is greater than (~~or equal to one~~) zero cents, but less than
5 \$50, the refund amount is \$50.

6 (d) The refund amounts in this section shall be adjusted for
7 inflation every year beginning January 1, 2024, based upon changes in
8 the consumer price index that are published by November 15th of the
9 previous year for the most recent 12-month period. The adjusted
10 refund amounts must be rounded to the nearest \$5.

11 (e) For purposes of this section, "consumer price index" means,
12 for any 12-month period, the average consumer price index for that
13 12-month period for the Seattle, Washington area for urban wage
14 earners and clerical workers, all items, compiled by the bureau of
15 labor statistics, United States department of labor.

16 (f) The percentage rate of remittance reductions in (b) of this
17 subsection must be adjusted every year beginning January 1, 2023,
18 based on calculations by the department that result in the minimum
19 credit being received at the maximum qualifying income level.

20 (4) The working families' tax credit shall be administered as
21 provided in this subsection.

22 (a) The refund paid under this section will be paid to eligible
23 filers who apply pursuant to this subsection.

24 (i) Application must be made to the department in a form and
25 manner determined by the department. If the application process is
26 initially done electronically, the department must provide a paper
27 application upon request. The application must include any
28 information and documentation as required by the department.

29 (ii) Application for the refund under this section must be made
30 in the year following the year for which the federal tax return was
31 filed, but in no case may any refund be provided for any period
32 before January 1, 2022. The department must use the eligible person's
33 most recent federal tax filing for the tax year for which the refund
34 is being claimed to calculate the refund.

35 (iii) A person may not claim a credit on behalf of a deceased
36 individual. No individual may claim a credit under this section for
37 any year in a disallowance period under Title 26 U.S.C. Sec. 32(k)(1)
38 of the internal revenue code or for any year for which the individual
39 is ineligible to claim the credit in Title 26 U.S.C. Sec. 32 of the

1 internal revenue code by reason of Title 26 U.S.C. Sec. 32(k)(2) of
2 the internal revenue code.

3 (b) The department shall protect the privacy and confidentiality
4 of personal data of refund recipients in accordance with chapter
5 82.32 RCW.

6 (c) The department shall, in conjunction with other agencies or
7 organizations, design and implement a public information campaign to
8 inform potentially eligible persons of the existence of, and
9 requirements for, the credit provided in this section.

10 (d) The department must work with the internal revenue service to
11 administer the credit on an automatic basis as soon as practicable.

12 (5) Receipt of the refund under this section may not be used in
13 eligibility determinations for any state income support programs or
14 in making public charge determinations.

15 (6) The department may adopt rules necessary to implement this
16 section. This includes establishing a date by which applications will
17 be accepted, with the aim of accepting applications as soon as
18 possible.

19 (7) The department must review the application and determine
20 eligibility for the working families' tax credit based on information
21 provided by the applicant and through audit and other administrative
22 records, including, when it deems it necessary, verification through
23 internal revenue service data.

24 (8) If, upon review of internal revenue service data or other
25 information obtained by the department, it appears that an individual
26 received a refund that the individual was not entitled to, or
27 received a larger refund than the individual was entitled to, the
28 department may assess against the individual the overpaid amount. The
29 department may also assess such overpaid amount against the
30 individual's spouse if the refund in question was based on both
31 spouses filing a joint federal income tax return for the year for
32 which the refund was claimed.

33 (a) Interest as provided under RCW 82.32.050 applies to
34 assessments authorized under this subsection (8) starting six months
35 after the date the department issued the assessment until the amount
36 due under this subsection (8) is paid in full to the department.
37 Except as otherwise provided in this subsection, penalties may not be
38 assessed on amounts due under this subsection.

39 (b) If an amount due under this subsection is not paid in full by
40 the date due, or the department issues a warrant for the collection

1 of amounts due under this subsection, the department may assess the
2 applicable penalties under RCW 82.32.090. Penalties under this
3 subsection (8)(b) may not be made due until six months after the
4 department's issuance of the assessment.

5 (c) If the department finds by clear, cogent, and convincing
6 evidence that an individual knowingly submitted, caused to be
7 submitted, or consented to the submission of, a fraudulent claim for
8 refund under this section, the department must assess a penalty of 50
9 percent of the overpaid amount. This penalty is in addition to any
10 other applicable penalties assessed in accordance with (b) of this
11 subsection (8).

12 (9) If, within the period allowed for refunds under RCW
13 82.32.060, the department finds that an individual received a lesser
14 refund than the individual was entitled to, the department must remit
15 the additional amount due under this section to the individual.

16 (10) Interest does not apply to refunds provided under this
17 section.

18 (11) Chapter 82.32 RCW applies to the administration of this
19 section.

20 **Sec. 11.** RCW 82.14.070 and 2003 c 168 s 202 are each amended to
21 read as follows:

22 (1) It is the intent of this chapter that any local sales and use
23 tax adopted pursuant to this chapter be identical to the state sales
24 and use tax, unless otherwise prohibited by federal law, and with
25 other local sales and use taxes adopted pursuant to this chapter.

26 (2) It is further the intent of this chapter that the local sales
27 and use tax shall be imposed upon an individual taxable event
28 simultaneously with the imposition of the state sales or use tax upon
29 the same taxable event. The rule making powers of the state
30 department of revenue contained in RCW 82.08.060 and 82.32.300 shall
31 be applicable to this chapter. The department shall, as soon as
32 practicable, and with the assistance of the appropriate associations
33 of county prosecutors and city attorneys, draft a model resolution
34 and ordinance.

35 (3) Except as otherwise provided by law, all state sales and use
36 tax exemptions, credits, and deductions apply in an identical manner
37 to local sales and use taxes adopted pursuant to this chapter or
38 other provision of law.

1 **Sec. 12.** RCW 82.32.045 and 2022 c 295 s 2 are each amended to
2 read as follows:

3 (1) Except as otherwise provided in this chapter and subsection
4 (6) of this section, payments of the taxes imposed under chapters
5 82.04, 82.08, 82.12, 82.14, ~~((and))~~ 82.16, and 82.27 RCW, along with
6 reports and returns on forms prescribed by the department, are due
7 monthly within ~~((twenty-five))~~ 25 days after the end of the month in
8 which the taxable activities occur.

9 (2) The department of revenue may relieve any taxpayer or class
10 of taxpayers from the obligation of remitting monthly and may require
11 the return to cover other longer reporting periods, but in no event
12 may returns be filed for a period greater than one year. Except as
13 provided in subsection (3) of this section, for these taxpayers, tax
14 payments are due on or before the last day of the month next
15 succeeding the end of the period covered by the return.

16 (3) For annual filers, tax payments, along with reports and
17 returns on forms prescribed by the department, are due on or before
18 April 15th of the year immediately following the end of the period
19 covered by the return.

20 (4) The department of revenue may also require verified annual
21 returns from any taxpayer, setting forth such additional information
22 as it may deem necessary to correctly determine tax liability.

23 (5) Notwithstanding subsections (1) and (2) of this section, the
24 department may relieve any person of the requirement to file returns
25 if the following conditions are met:

26 (a) The person's value of products, gross proceeds of sales, or
27 gross income of the business, from all business activities taxable
28 under chapter 82.04 RCW, is less than \$125,000 per year;

29 (b) The person's gross income of the business from all activities
30 taxable under chapter 82.16 RCW is less than ~~((twenty-four thousand
31 dollars))~~ \$24,000 per year; and

32 (c) The person is not required to collect or pay to the
33 department of revenue any other tax or fee which the department is
34 authorized to collect.

35 (6) (a) Taxes imposed under chapter 82.08 or 82.12 RCW on taxable
36 events that occur beginning January 1, 2019, through June 30, 2019,
37 and payable by a consumer directly to the department are due, on
38 returns prescribed by the department, by July 25, 2019.

39 (b) This subsection (6) does not apply to the reporting and
40 payment of taxes imposed under chapters 82.08 and 82.12 RCW:

- 1 (i) On the retail sale or use of motor vehicles, vessels, or
2 aircraft; or
3 (ii) By consumers who are engaged in business, unless the
4 department has relieved the consumer of the requirement to file
5 returns pursuant to subsection (5) of this section.

6 **Sec. 13.** RCW 82.32.105 and 2017 c 323 s 106 are each amended to
7 read as follows:

8 (1) If the department finds that the payment by a taxpayer of a
9 tax less than that properly due or the failure of a taxpayer to pay
10 any tax by the due date was the result of circumstances beyond the
11 control of the taxpayer, the department must waive or cancel any
12 penalties imposed under this chapter with respect to such tax.

13 (2) The department must waive or cancel the penalty imposed under
14 RCW 82.32.090(1) when the circumstances under which the delinquency
15 occurred do not qualify for waiver or cancellation under subsection
16 (1) of this section if:

17 (a) The taxpayer requests the waiver for a tax return required to
18 be filed under RCW 54.28.040, 82.32.045, 82.14B.061, 82.23B.020,
19 (~~82.27.060~~), 82.29A.050, or 84.33.086; and

20 (b) The taxpayer has timely filed and remitted payment on all tax
21 returns due for that tax program for a period of (~~twenty-four~~) 24
22 months immediately preceding the period covered by the return for
23 which the waiver is being requested.

24 (3) The department must waive or cancel interest imposed under
25 this chapter if:

26 (a) The failure to timely pay the tax was the direct result of
27 written instructions given the taxpayer by the department; or

28 (b) The extension of a due date for payment of an assessment of
29 deficiency was not at the request of the taxpayer and was for the
30 sole convenience of the department.

31 (4) The department must adopt rules for the waiver or
32 cancellation of penalties and interest imposed by this chapter.

33 **Sec. 14.** RCW 82.60.020 and 2010 1st sp.s. c 16 s 2 are each
34 amended to read as follows:

35 Unless the context clearly requires otherwise, the definitions in
36 this section apply throughout this chapter.

37 (1) "Applicant" means a person applying for a tax deferral under
38 this chapter.

1 (2) "Department" means the department of revenue.

2 (3) "Eligible area" means:

3 (a) Through June 30, 2010, a rural county as defined in RCW
4 82.14.370; and

5 (b) Beginning July 1, 2010, a qualifying county.

6 (4) (a) "Eligible investment project" means an investment project
7 that is located, as of the date the deferral application (~~required~~
8 ~~by RCW 82.60.030~~) is received by the department, in an eligible area
9 as defined in subsection (3) of this section.

10 (b) "Eligible investment project" does not include any portion of
11 an investment project undertaken by a light and power business as
12 defined in RCW 82.16.010(4), other than that portion of a
13 cogeneration project that is used to generate power for consumption
14 within the manufacturing site of which the cogeneration project is an
15 integral part, or investment projects that have already received
16 deferrals under this chapter.

17 (5) (a) "Initiation of construction" ((has the same meaning as in
18 RCW 82.63.010)) means the date that a building permit is issued under
19 the building code adopted under RCW 19.27.031 for:

20 (i) Construction of the qualified building, if the underlying
21 ownership of the building vests exclusively with the person receiving
22 the economic benefit of the deferral;

23 (ii) Construction of the qualified building, if the economic
24 benefits of the deferral are passed to a lessee as provided in RCW
25 82.60.025; or

26 (iii) Tenant improvements for a qualified building, if the
27 economic benefits of the deferral are passed to a lessee as provided
28 in RCW 82.60.025.

29 (b) "Initiation of construction" does not include soil testing,
30 site clearing and grading, site preparation, or any other related
31 activities that are initiated before the issuance of a building
32 permit for the construction of the foundation of the building.

33 (c) If the investment project is a phased project, "initiation of
34 construction" applies separately to each phase.

35 (6) "Investment project" means an investment in qualified
36 buildings or qualified machinery and equipment, including labor and
37 services rendered in the planning, installation, and construction of
38 the project.

39 (7) "Manufacturing" means the same as defined in RCW 82.04.120.
40 "Manufacturing" also includes:

1 (a) Before July 1, 2010: (i) Computer programming, the production
2 of computer software, and other computer-related services, but only
3 when the computer programming, production of computer software, or
4 other computer-related services are performed by a manufacturer as
5 defined in RCW 82.04.110 and contribute to the production of a new,
6 different, or useful substance or article of tangible personal
7 property for sale; (ii) the activities performed by research and
8 development laboratories and commercial testing laboratories; and
9 (iii) the conditioning of vegetable seeds; and

10 (b) Beginning July 1, 2010: (i) The activities performed by
11 research and development laboratories and commercial testing
12 laboratories; and (ii) the conditioning of vegetable seeds.

13 (8) "Person" has the meaning given in RCW 82.04.030.

14 (9) "Qualified buildings" means construction of new structures,
15 and expansion or renovation of existing structures for the purpose of
16 increasing floor space or production capacity used for manufacturing
17 or research and development activities, including plant offices and
18 warehouses or other facilities for the storage of raw material or
19 finished goods if such facilities are an essential or an integral
20 part of a factory, mill, plant, or laboratory used for manufacturing
21 or research and development. If a building is used partly for
22 manufacturing or research and development and partly for other
23 purposes, the applicable tax deferral must be determined by
24 apportionment of the costs of construction under rules adopted by the
25 department.

26 (10) "Qualified employment position" means a permanent full-time
27 employee employed in the eligible investment project during the
28 entire tax year. The term "entire tax year" means a full-time
29 position that is filled for a period of (~~twelve~~) 12 consecutive
30 months. The term "full-time" means at least (~~thirty-five~~) 35 hours
31 a week, (~~four hundred fifty-five~~) 455 hours a quarter, or (~~one~~
32 ~~thousand eight hundred twenty~~) 1,820 hours a year.

33 (11) "Qualified machinery and equipment" means all new industrial
34 and research fixtures, equipment, and support facilities that are an
35 integral and necessary part of a manufacturing or research and
36 development operation. "Qualified machinery and equipment" includes:
37 Computers; software; data processing equipment; laboratory equipment;
38 manufacturing components such as belts, pulleys, shafts, and moving
39 parts; molds, tools, and dies; operating structures; and all
40 equipment used to control or operate the machinery.

1 (12) "Qualifying county" means a county that has an unemployment
2 rate, as determined by the employment security department, which is
3 at least (~~twenty~~) 20 percent above the state average for the three
4 calendar years immediately preceding the year in which the list of
5 qualifying counties is established or updated, as the case may be, as
6 provided in RCW 82.60.120.

7 (13) "Recipient" means a person receiving a tax deferral under
8 this chapter.

9 (14) "Research and development" means the development,
10 refinement, testing, marketing, and commercialization of a product,
11 service, or process before commercial sales have begun, but only when
12 such activities are intended to ultimately result in the production
13 of a new, different, or useful substance or article of tangible
14 personal property for sale. As used in this subsection, "commercial
15 sales" excludes sales of prototypes or sales for market testing if
16 the total gross receipts from such sales of the product, service, or
17 process do not exceed (~~one million dollars~~) \$1,000,000.

18 **Sec. 15.** RCW 82.60.049 and 2010 1st sp.s. c 16 s 7 are each
19 amended to read as follows:

20 (1) For the purposes of this section:

21 (a) "Eligible area" also means a designated community empowerment
22 zone approved under RCW 43.31C.020.

23 (b) "Eligible investment project" also means an investment
24 project in an eligible area as defined in this section.

25 (2) (~~In addition to the provisions of RCW 82.60.040, the~~) Until
26 July 1, 2020, the department shall issue a sales and use tax deferral
27 certificate for state and local sales and use taxes due under
28 chapters 82.08, 82.12, and 82.14 RCW, on each eligible investment
29 project that is located in an eligible area, if the applicant
30 establishes that at the time the project is operationally complete:

31 (a) The applicant will hire at least one qualified employment
32 position for each (~~seven hundred fifty thousand dollars~~) \$750,000
33 of investment for which a deferral is requested; and

34 (b) The positions will be filled by persons who at the time of
35 hire are residents of the community empowerment zone. As used in this
36 subsection, "resident" means the person makes his or her home in the
37 community empowerment zone or the county in which the zone is
38 located. A mailing address alone is insufficient to establish that a
39 person is a resident for the purposes of this section. The persons

1 must be hired after the date the application is filed with the
2 department.

3 (3) All other provisions and eligibility requirements of this
4 chapter apply to applicants eligible under this section.

5 (4) The qualified employment position must be filled by the end
6 of the calendar year following the year in which the project is
7 certified as operationally complete. If a person does not meet the
8 requirements for qualified employment positions by the end of the
9 second calendar year following the year in which the project is
10 certified as operationally complete, all deferred taxes are
11 immediately due.

12 **Sec. 16.** RCW 82.60.060 and 2010 1st sp.s. c 16 s 8 are each
13 amended to read as follows:

14 (1) (~~The~~) In the event the eligible investment project ceases
15 to meet the requirements of this chapter, the recipient must begin
16 paying the deferred taxes in the third year after the date certified
17 by the department as the date on which the investment project has
18 been operationally completed. The first payment (~~will be~~) is due on
19 December 31st of the third calendar year after such certified date,
20 with subsequent annual payments due on December 31st of the following
21 four years with amounts of payment scheduled as follows:

| | Repayment Year | % of Deferred Tax Repaid |
|----|----------------|--------------------------|
| 22 | | |
| 23 | 1 | 10% |
| 24 | 2 | 15% |
| 25 | 3 | 20% |
| 26 | 4 | 25% |
| 27 | 5 | 30% |

28 (2) The department may authorize an accelerated repayment
29 schedule upon request of the recipient.

30 (3) Interest may not be charged on any taxes deferred under this
31 chapter for the period of deferral, although all other penalties and
32 interest applicable to delinquent excise taxes may be assessed and
33 imposed for delinquent payments under this chapter. The debt for
34 deferred taxes (~~will~~) may not be extinguished by insolvency or
35 other failure of the recipient. Transfer of ownership does not
36 terminate the deferral. The deferral is transferred, subject to the

1 successor meeting the eligibility requirements of this chapter, for
2 the remaining periods of the deferral.

3 **Sec. 17.** RCW 82.60.070 and 2017 c 135 s 36 are each amended to
4 read as follows:

5 (1) (a) Each recipient of a deferral of taxes granted under this
6 chapter must file a complete annual tax performance report with the
7 department under RCW 82.32.534. If the economic benefits of the
8 deferral are passed to a lessee as provided in RCW 82.60.025, the
9 lessee must file a complete annual tax performance report, and the
10 applicant is not required to file a complete annual tax performance
11 report.

12 (b) The department must use the information reported on the
13 annual tax performance report required by this section to study the
14 tax deferral program authorized under this chapter. The department
15 must report to the legislature by December 1, 2018. The report must
16 measure the effect of the program on job creation, the number of jobs
17 created for residents of eligible areas, company growth, and such
18 other factors as the department selects.

19 (2) Except as provided in RCW 82.60.063, if, on the basis of a
20 tax performance report under RCW 82.32.534 or other information, the
21 department finds that an investment project is not eligible for tax
22 deferral under this chapter, the amount of deferred taxes outstanding
23 for the project, according to the repayment schedule in RCW
24 82.60.060, is immediately due. For purposes of this subsection (2),
25 the repayment schedule in RCW 82.60.060 is (~~tolled~~) suspended
26 during the period of time that a taxpayer is receiving relief from
27 repayment of deferred taxes under RCW 82.60.063.

28 (3) A recipient who must repay deferred taxes under subsection
29 (2) of this section because the department has found that an
30 investment project is not eligible for tax deferral under this
31 chapter is no longer required to file annual tax performance reports
32 under RCW 82.32.534 beginning on the date an investment project is
33 used for nonqualifying purposes.

34 (4) Notwithstanding any other provision of this section or RCW
35 82.32.534, deferred taxes on the following need not be repaid:

36 (a) Machinery and equipment, and sales of or charges made for
37 labor and services, which at the time of purchase would have
38 qualified for exemption under RCW 82.08.02565; and

1 (b) Machinery and equipment which at the time of first use would
2 have qualified for exemption under RCW 82.12.02565.

3 **Sec. 18.** RCW 82.70.900 and 2015 3rd sp.s. c 44 s 416 are each
4 amended to read as follows:

5 ((~~Except for RCW 82.70.050, this~~)) This chapter expires July 1,
6 2024.

7 **Sec. 19.** RCW 82.73.030 and 2021 c 112 s 2 are each amended to
8 read as follows:

9 (1) Subject to the limitations in this chapter, a credit is
10 allowed against the tax imposed by chapters 82.04 and 82.16 RCW for
11 approved contributions that are made by a person to a program or the
12 main street trust fund.

13 (2)(a) Except as provided in (b) of this subsection, the credit
14 allowed under this section is limited to an amount equal to:

15 (i) Seventy-five percent of the approved contribution made by a
16 person to a program; or

17 (ii) Fifty percent of the approved contribution made by a person
18 to the main street trust fund.

19 (b) Beginning with contributions made in calendar year 2021, an
20 additional credit is allowed equal to 25 percent of the approved
21 contribution made by a person to the main street trust fund.

22 (3) The department may not approve credit with respect to a
23 program in a city or town with a population of (~~one hundred ninety~~
24 ~~thousand~~) 190,000 persons or more at the time of designation under
25 RCW 43.360.030.

26 (4) The department must keep a running total of all credits
27 approved under this chapter for each calendar year. The department
28 may not approve any credits under this section that would cause the
29 total amount of approved credits statewide to exceed \$5,000,000 in
30 any calendar year.

31 (5)(a)(i) The total credits allowed under this chapter for
32 contributions made to each program may not exceed \$160,000 in a
33 calendar year.

34 (ii) Between 8:00 a.m., Pacific standard time, on the second
35 Monday in January and 8:00 a.m., Pacific daylight time, on April 1st
36 of the same calendar year, the department must evenly allocate the
37 amount of statewide credits allowed under subsection (4) of this
38 section based on the total number of programs and the main street

1 trust fund as of January 1st in the same calendar year. The
2 department may not approve contributions for a program or the main
3 street trust fund that would cause the total amount of approved
4 credits for a program or the main street trust fund to exceed the
5 allocated amount.

6 (b) The total credits allowed under this chapter for a person may
7 not exceed (~~two hundred fifty thousand dollars~~) \$250,000 in a
8 calendar year.

9 (6) Except as provided in subsection (8) of this section, the
10 credit may be claimed against any tax due under chapters 82.04 and
11 82.16 RCW only in the calendar year immediately following the
12 calendar year in which the credit was approved by the department and
13 the contribution was made to the program or the main street trust
14 fund. Credits may not be carried over to subsequent years. No refunds
15 may be granted for credits under this chapter.

16 (7) The total amount of the credit claimed in any calendar year
17 by a person may not exceed the lesser amount of:

18 (a) The approved credit; or

19 (b) Seventy-five percent of the amount of the contribution that
20 is made by the person to a program and 75 percent of the amount of
21 the contribution that is made by the person to the main street trust
22 fund, in the prior calendar year.

23 (8) Any credits provided in accordance with this chapter for
24 approved contributions made in calendar year 2020 may be carried over
25 for an additional two years and must be used by December 31, 2023.

26 (9) No credit is allowed or may be claimed under this section on
27 or after January 1, 2032.

28 **Sec. 20.** RCW 82.90.080 and 2022 c 161 s 8 are each amended to
29 read as follows:

30 A lessor or owner of an eligible investment project is not
31 eligible for a deferral under this chapter unless:

32 (1) The underlying ownership of the qualified solar canopy vests
33 exclusively in the same person; or

34 (2) (a) The lessor by written contract agrees to pass the economic
35 benefit of the deferral to the lessee;

36 (b) The lessee that receives the economic benefit of the deferral
37 agrees in writing with the department to complete the annual tax
38 performance report required under RCW (~~(82.63.020(2))~~) 82.32.534; and

1 (c) The economic benefit of the deferral passed to the lessee is
2 no less than the amount of tax deferred by the lessor and is
3 evidenced by written documentation of any type of payment, credit, or
4 other financial arrangement between the lessor or owner of the
5 eligible investment project and the lessee.

6 **Sec. 21.** RCW 84.52.120 and 1995 c 99 s 1 are each amended to
7 read as follows:

8 A metropolitan park district with a population of (~~one hundred~~
9 ~~fifty thousand~~) 150,000 or more may submit a ballot proposition to
10 voters of the district authorizing the protection of the district's
11 tax levy from prorationing under RCW 84.52.010(~~(+2)~~) (3)(b) by
12 imposing all or any portion of the district's (~~twenty-five~~) 25 cent
13 per (~~thousand dollars~~) \$1,000 of assessed valuation tax levy
14 outside of the (~~five dollar and ninety cent~~) \$5.90 per (~~thousand~~
15 ~~dollar~~) \$1,000 of assessed valuation limitation established under
16 RCW 84.52.043(2), if those taxes otherwise would be prorated under
17 RCW 84.52.010(~~(+2)(e)~~) (3)(b)(iv), for taxes imposed in any year on
18 or before the first day of January six years after the ballot
19 proposition is approved. A simple majority vote of voters voting on
20 the proposition is required for approval.

21 **Sec. 22.** RCW 84.52.816 and 2015 c 170 s 3 are each amended to
22 read as follows:

23 A flood control zone district in a county with a population of
24 (~~seven hundred seventy five thousand~~) 775,000 or more, or a county
25 within the Chehalis river basin, that is coextensive with a county
26 may protect the levy under RCW 86.15.160 from prorationing under RCW
27 84.52.010(3)(b)(~~(+ii)~~) (iii) by imposing up to a total of (~~twenty-~~
28 ~~five~~) 25 cents per (~~thousand dollars~~) \$1,000 of assessed value of
29 the tax levy authorized under RCW 86.15.160 outside of the (~~five~~
30 ~~dollars and ninety cents~~) \$5.90 per (~~thousand dollars~~) \$1,000 of
31 assessed value limitation under RCW 84.52.043(2), if those taxes
32 otherwise would be prorated under RCW 84.52.010(3)(b)(~~(+ii)~~) (iii).

33 **Sec. 23.** RCW 88.02.620 and 2021 c 150 s 1 are each amended to
34 read as follows:

35 (1) A vessel owner who is a nonresident person must obtain a
36 nonresident vessel permit on or before the (~~sixty-first~~) 61st day
37 of use in Washington state if the vessel:

1 (a) Is currently registered or numbered under the laws of the
2 state or (~~county~~[~~country~~]) country of principal operation, has
3 been issued a valid number under federal law, or has a valid United
4 States customs service cruising license issued under 19 C.F.R. Sec.
5 4.94; and

6 (b) Has been brought into Washington state for not more than six
7 months in any continuous (~~twelve~~) 12-month period, and is used:

8 (i) For personal use; or

9 (ii) For the purposes of chartering a vessel with a captain or
10 crew, as long as individual charters are for at least three or more
11 consecutive days in duration. The permit also applies for the
12 purposes of necessary transit to or from the start or end point of
13 such a charter, but that transit time is not counted toward the
14 duration of the charter.

15 (2) In addition to the requirements in subsection (1) of this
16 section, a nonresident vessel owner that is not a natural person, or
17 a nonresident vessel owner who is a natural person who intends to
18 charter the vessel with a captain or crew as provided in subsection
19 (1)(b)(ii) of this section, may only obtain a nonresident vessel
20 permit if:

21 (a) The vessel is at least (~~thirty~~) 30 feet in length, but no
22 more than (~~two hundred~~) 200 feet in length;

23 (b) No Washington state resident owns the vessel or is a
24 principal, as defined in RCW 82.32.865, of the nonresident person
25 which owns the vessel; and

26 (c) The department of revenue has provided the nonresident vessel
27 owner written approval authorizing the permit as provided in RCW
28 82.32.865.

29 (3) A nonresident vessel permit:

30 (a) May be obtained from the department, county auditor or other
31 agent, or subagent appointed by the director;

32 (b) Must show the date the vessel first came into Washington
33 state; and

34 (c) Is valid for two months.

35 (4) The department, county auditor or other agent, or subagent
36 appointed by the director must collect the fee required in RCW
37 88.02.640(1)(i) when issuing nonresident vessel permits.

38 (5) A nonresident vessel permit is not required under this
39 section if the vessel is used in conducting temporary business
40 activity within Washington state.

1 (6) For any permits issued under this section to a nonresident
2 vessel owner that is not a natural person, or for any permits issued
3 to a natural person who intends to charter the vessel with a captain
4 or crew as provided in subsection (1)(b)(ii) of this section, the
5 department must maintain a record of the following information and
6 provide it to the department of revenue quarterly or as otherwise
7 mutually agreed to by the department and department of revenue:

8 (a) The name of the record owner of the vessel;

9 (b) The vessel's hull identification number;

10 (c) The amount of the fee paid under RCW 88.02.640(5);

11 (d) The date the vessel first entered the waters of this state;

12 (e) The expiration date for the permit; and

13 (f) Any other information mutually agreed to by the department
14 and department of revenue.

15 (7) The department must adopt rules to implement this section,
16 including rules on issuing and displaying the nonresident vessel
17 permit.

18 **Sec. 24.** RCW 88.26.020 and 2013 c 291 s 41 are each amended to
19 read as follows:

20 (1) Any private moorage facility operator may take reasonable
21 measures, including the use of chains, ropes, and locks, or removal
22 from the water, to secure vessels within the private moorage facility
23 so that the vessels are in the possession and control of the operator
24 and cannot be removed from the facility. These procedures may be used
25 if an owner mooring or storing a vessel at the facility fails, after
26 being notified that charges are owing and of the owner's right to
27 commence legal proceedings to contest that such charges are owing, to
28 pay charges owed or to commence legal proceedings. Notification shall
29 be by two separate letters, one sent by first-class mail and one sent
30 by registered mail to the owner and any lienholder of record at the
31 last known address. In the case of a transient vessel, or where no
32 address was furnished by the owner, the operator need not give notice
33 prior to securing the vessel. At the time of securing the vessel, an
34 operator shall attach to the vessel a readily visible notice. The
35 notice shall be of a reasonable size and shall contain the following
36 information:

37 (a) The date and time the notice was attached;

1 (b) A statement that if the account is not paid in full within
2 (~~ninety~~) 90 days from the time the notice is attached the vessel
3 may be sold at public auction to satisfy the charges; and

4 (c) The address and telephone number where additional information
5 may be obtained concerning release of the vessel.

6 After a vessel is secured, the operator shall make a reasonable
7 effort to notify the owner and any lienholder of record by registered
8 mail in order to give the owner the information contained in the
9 notice.

10 (2) A private moorage facility operator, at his or her
11 discretion, may move moored vessels ashore for storage within
12 properties under the operator's control or for storage with a private
13 person under their control as bailees of the private moorage
14 facility, if the vessel is, in the opinion of the operator, a
15 nuisance, in danger of sinking or creating other damage, or is owing
16 charges. The costs of any such procedure shall be paid by the
17 vessel's owner.

18 (3) If a vessel is secured under subsection (1) of this section
19 or moved ashore under subsection (2) of this section, the owner who
20 is obligated to the private operator for charges may regain
21 possession of the vessel by:

22 (a) Making arrangements satisfactory with the operator for the
23 immediate removal of the vessel from the facility or for authorized
24 moorage; and

25 (b) Making payment to the operator of all charges, or by posting
26 with the operator a sufficient cash bond or other acceptable
27 security, to be held in trust by the operator pending written
28 agreement of the parties with respect to payment by the vessel owner
29 of the amount owing, or pending resolution of the matter of the
30 charges in a civil action in a court of competent jurisdiction. After
31 entry of judgment, including any appeals, in a court of competent
32 jurisdiction, or after the parties reach agreement with respect to
33 payment, the trust shall terminate and the operator shall receive so
34 much of the bond or other security as agreed, or as is necessary, to
35 satisfy any judgment, costs, and interest as may be awarded to the
36 operator. The balance shall be refunded immediately to the owner at
37 the last known address.

38 (4) If a vessel has been secured by the operator under subsection
39 (1) of this section and is not released to the owner under the
40 bonding provisions of this section within (~~ninety~~) 90 days after

1 notifying or attempting to notify the owner under subsection (1) of
2 this section, the vessel is conclusively presumed to have been
3 abandoned by the owner.

4 (5) If a vessel moored or stored at a private moorage facility is
5 abandoned, the operator may authorize the public sale of the vessel
6 by authorized personnel, consistent with this section, to the highest
7 and best bidder for cash as follows:

8 (a) Before the vessel is sold, the vessel owner and any
9 lienholder of record shall be given at least (~~twenty~~) 20 days'
10 notice of the sale in the manner set forth in subsection (1) of this
11 section if the name and address of the owner is known. The notice
12 shall contain the time and place of the sale, a reasonable
13 description of the vessel to be sold, and the amount of charges owed
14 with respect to the vessel. The notice of sale shall be published at
15 least once, more than (~~ten~~) 10 but not more than (~~twenty~~) 20 days
16 before the sale, in a newspaper of general circulation in the county
17 in which the facility is located. This notice shall include the name
18 of the vessel, if any, the last known owner and address, and a
19 reasonable description of the vessel to be sold. The operator may bid
20 all or part of its charges at the sale and may become a purchaser at
21 the sale.

22 (b) Before the vessel is sold, any person seeking to redeem an
23 impounded vessel under this section may commence a lawsuit in the
24 superior court for the county in which the vessel was impounded to
25 contest the validity of the impoundment or the amount of charges
26 owing. This lawsuit must be commenced within (~~sixty~~) 60 days of the
27 date the notification was provided under subsection (1) of this
28 section, or the right to a hearing is deemed waived and the owner is
29 liable for any charges owing the operator. In the event of
30 litigation, the prevailing party is entitled to reasonable attorneys'
31 fees and costs.

32 (c) The proceeds of a sale under this section shall be applied
33 first to the payment of any liens superior to the claim for charges,
34 then to payment of the charges, then to satisfy any other liens on
35 the vessel in the order of their priority. The balance, if any, shall
36 be paid to the owner. If the owner cannot in the exercise of due
37 diligence be located by the operator within one year of the date of
38 the sale, the excess funds from the sale shall revert to the
39 department of revenue under chapter (~~63.29~~) 63.30 RCW. If the sale
40 is for a sum less than the applicable charges, the operator is

1 entitled to assert a claim for deficiency, however, the deficiency
2 judgment shall not exceed the moorage fees owed for the previous six-
3 month period.

4 (d) In the event no one purchases the vessel at a sale, or a
5 vessel is not removed from the premises or other arrangements are not
6 made within (~~ten~~) 10 days of sale, title to the vessel will revert
7 to the operator.

8 (e) Either a minimum bid may be established or a letter of credit
9 may be required from the buyer, or both, to discourage the future
10 abandonment of the vessel.

11 (6) The rights granted to a private moorage facility operator
12 under this section are in addition to any other legal rights an
13 operator may have to hold and sell a vessel and in no manner does
14 this section alter those rights, or affect the priority of other
15 liens on a vessel.

16 NEW SECTION. **Sec. 25.** The following acts or parts of acts are
17 each repealed:

18 (1) RCW 82.12.02088 (Exemptions—Digital products—Business buyers
19 —Concurrently available for use within and outside state—
20 Apportionment) and 2017 c 323 s 522 & 2009 c 535 s 702;

21 (2) RCW 82.27.060 (Payment of tax—Remittance—Returns) and 2006 c
22 256 s 3, 2003 1st sp.s. c 13 s 10, 1990 c 214 s 1, & 1980 c 98 s 6;
23 and

24 (3) RCW 82.70.050 (Credit taken, director must advise) and 2022 c
25 182 s 312, 2015 3rd sp.s. c 44 s 415, 2015 1st sp.s. c 10 s 710, 2014
26 c 222 s 706, & 2003 c 364 s 5.

27 NEW SECTION. **Sec. 26.** Sections 1 through 4, 6 through 8, and 24
28 of this act apply both prospectively and retroactively to January 1,
29 2023.

30 NEW SECTION. **Sec. 27.** Section 23 of this act expires January 1,
31 2029."

32 Correct the title.

EFFECT: Aligns amendatory language with two bills that amend the same subsections in RCW 35.90.020 and 82.73.030(3) for technical and administrative purposes.

--- **END** ---