

RCW 82.70.040 Tax credit limitations. (Expires July 1, 2024.)

(1) (a) The department must keep a running total of all credits allowed under RCW 82.70.020 during each fiscal year. The department may not allow any credits that would cause the total amount allowed to exceed \$2,750,000 in any fiscal year.

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

(2) (a) Tax credits under RCW 82.70.020 may not be claimed in excess of the amount of tax otherwise due under chapter 82.04 or 82.16 RCW.

(b) Through June 30, 2005, a person with taxes equal to or in excess of the credit under RCW 82.70.020, and therefore not subject to the limitation in (a) of this subsection, may elect to defer tax credits for a period of not more than three years after the year in which the credits accrue. For credits approved by the department through June 30, 2015, the approved credit may be carried forward and used for tax reporting periods through December 31, 2016. Credits approved after June 30, 2015, must be used for tax reporting periods within the calendar year for which they are approved by the department and may not be carried forward to subsequent tax reporting periods. Credits carried forward as authorized by this subsection are subject to the limitation in subsection (1) (a) of this section for the fiscal year for which the credits were originally approved.

(3) No person may be approved for tax credits under RCW 82.70.020 in excess of \$100,000 in any fiscal year. This limitation does not apply to credits carried forward from prior years under subsection (2) (b) of this section.

(4) No person may claim tax credits after June 30, 2024. [2022 c 182 § 311; 2016 c 32 § 3; 2015 3rd sp.s. c 44 § 414; 2015 1st sp.s. c 10 § 709; 2014 c 222 § 705; 2013 c 306 § 719; 2005 c 297 § 5; 2003 c 364 § 4.]

Expiration date—2022 c 182 §§ 311 and 403: "Sections 311 and 403 of this act expire July 1, 2024." [2022 c 182 § 503.]

Intent—Effective date—2022 c 182: See notes following RCW 70A.65.240.

Intent—Retroactive application—Effective date—2016 c 32: See notes following RCW 46.20.202.

Effective date—2015 3rd sp.s. c 44: See note following RCW 46.68.395.

Effective date—2015 1st sp.s. c 10: See note following RCW 43.19.642.

Effective date—2014 c 222: See note following RCW 47.28.030.

Effective date—2013 c 306: See note following RCW 47.64.170.

Effective date—2005 c 297: See note following RCW 82.70.025.

Effective date—Contingency—Captions not law—2003 c 364: See notes following RCW 82.70.020.