

CERTIFICATION OF ENROLLMENT  
**SECOND SUBSTITUTE SENATE BILL 6260**

Chapter 128, Laws of 1996

54th Legislature  
1996 Regular Session

RIDE SHARING TAX CREDIT--REVISION

EFFECTIVE DATE: 7/1/96

Passed by the Senate March 4, 1996  
YEAS 45 NAYS 1

JOEL PRITCHARD

**President of the Senate**

Passed by the House February 29, 1996  
YEAS 82 NAYS 14

CLYDE BALLARD

**Speaker of the  
House of Representatives**

Approved March 21, 1996

MIKE LOWRY

**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE SENATE BILL 6260** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

**Secretary**

FILED

March 21, 1996 - 1:14 p.m.

**Secretary of State  
State of Washington**

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SECOND SUBSTITUTE SENATE BILL 6260

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AS AMENDED BY THE HOUSE

Passed Legislature - 1996 Regular Session

State of Washington

54th Legislature

1996 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Drew, Owen, Prince, Haugen, Prentice, Kohl, Wood, Long, Sheldon, Schow, Strannigan, Sellar, Finkbeiner, Heavey, Fairley, McAuliffe, Rasmussen, Quigley, Rinehart, Goings, Thibaudeau and Winsley)

Read first time 02/06/96.

1 AN ACT Relating to revising the state ride sharing tax credit;  
2 amending RCW 82.04.4453, 82.04.4454, 82.16.048, and 82.16.049; amending  
3 1994 c 270 s 6 (uncodified); adding a new section to chapter 82.04 RCW;  
4 providing an effective date; and providing an expiration date.

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

6 **Sec. 1.** RCW 82.04.4453 and 1994 c 270 s 2 are each amended to read  
7 as follows:

8 (1) (~~Major~~) Employers in (~~the state's eight largest counties~~  
9 ~~affected by the commute trip reduction programs required under RCW~~  
10 ~~70.94.521 through 70.94.551~~) this state who are taxable under this  
11 chapter and provide financial incentives to their employees for ride  
12 sharing, for using public transportation, or for using nonmotorized  
13 commuting before June 30, (~~1996~~) 2000, shall be allowed a credit for  
14 amounts paid to or on behalf of employees for ride sharing in vehicles  
15 carrying (~~four~~) two or more persons, for using public transportation,  
16 or for using nonmotorized commuting, not to exceed sixty dollars per  
17 employee per year. The credit shall be equal to the amount paid to or  
18 on behalf of each employee multiplied by fifty percent, but may not  
19 exceed sixty dollars per employee per year. For ride sharing in

1 vehicles carrying two persons, the credit shall be equal to the amount  
2 paid to or on behalf of each employee multiplied by thirty percent, but  
3 may not exceed sixty dollars per employee per year. The credit may not  
4 exceed the amount of tax that would otherwise be due under this  
5 chapter.

6 (2) Application for tax credit under this chapter may only be made  
7 ~~((by major employers as defined by RCW 70.94.524 and))~~ in the form and  
8 manner prescribed in rules adopted by the department ~~((and in~~  
9 ~~consultation with the commute trip reduction task force))~~.

10 (3) The credit shall be taken not more than once quarterly and not  
11 less than once annually against taxes due for the same calendar year in  
12 which the amounts for which credit is claimed were paid to or on behalf  
13 of employees for ride sharing, for using public transportation, or for  
14 using nonmotorized commuting and must be claimed by the due date of the  
15 last tax return for the calendar year in which the payment is made.

16 (4) The director shall on the 25th of February, May, August, and  
17 November of each year advise the state treasurer of the amount of  
18 credit taken during the preceding calendar quarter ending on the last  
19 day of December, March, June, and September, respectively.

20 (5) On the first of April, July, October, and January of each year,  
21 the state treasurer based upon information provided by the department  
22 shall deposit a sum equal to the dollar amount of the credit provided  
23 under subsection (1) of this section from the air pollution control  
24 account to the general fund.

25 (6) The commute trip reduction task force shall determine the  
26 effectiveness of this tax credit as part of its ongoing evaluation of  
27 the commute trip reduction law and report no later than December 1,  
28 ~~((1996))~~ 1997, to the legislative transportation committee and to the  
29 fiscal committees of the house of representatives and the senate. The  
30 report shall include information on the amount of tax credits claimed  
31 to date and recommendations on future funding for the tax credit  
32 program.

33 (7) Any person who knowingly makes a false statement of a material  
34 fact in the application for a credit under subsection (1) of this  
35 section is guilty of a gross misdemeanor.

36 (8) A person may not receive credit for amounts paid to or on  
37 behalf of the same employee under both this section and RCW 82.16.048.

1       **Sec. 2.** RCW 82.04.4454 and 1994 c 270 s 3 are each amended to read  
2 as follows:

3       (1) The department shall keep a running total of all credits  
4 granted under (~~this chapter~~) RCW 82.04.4453 and 82.16.048 during each  
5 calendar year, and shall disallow any credits that would cause the  
6 tabulation for any calendar year to exceed (~~two~~) one million five  
7 hundred thousand dollars.

8       (2) No employer shall be eligible for tax credits under RCW  
9 82.04.4453 and 82.16.048 in excess of (~~two~~) one hundred thousand  
10 dollars in any calendar year.

11       (3) No employer shall be eligible for tax credits under RCW  
12 82.04.4453 in excess of the amount of tax that would otherwise be due  
13 under this chapter.

14       (4) No portion of an application for credit disallowed under this  
15 section may be carried back or carried forward.

16       **Sec. 3.** RCW 82.16.048 and 1994 c 270 s 4 are each amended to read  
17 as follows:

18       (1) (~~Major~~) Employers in (the state's eight largest counties  
19 affected by the commute trip reduction programs required under RCW  
20 70.94.521 through 70.94.551) this state who are taxable under this  
21 chapter and provide financial incentives to their employees for ride  
22 sharing, for using public transportation, or for using nonmotorized  
23 commuting before June 30, (~~1996~~) 2000, shall be allowed a credit for  
24 amounts paid to or on behalf of employees for ride sharing in vehicles  
25 carrying (~~four~~) two or more persons, for using public transportation,  
26 or for using nonmotorized commuting, not to exceed sixty dollars per  
27 employee per year. The credit shall be equal to the amount paid to or  
28 on behalf of each employee multiplied by fifty percent, but may not  
29 exceed sixty dollars per employee per year. For ride sharing in  
30 vehicles carrying two persons, the credit shall be equal to the amount  
31 paid to or on behalf of each employee multiplied by thirty percent, but  
32 may not exceed sixty dollars per employee per year. The credit may not  
33 exceed the amount of tax that would otherwise be due under this  
34 chapter.

35       (2) Application for tax credit under this chapter may only be made  
36 (~~by major employers as defined by RCW 70.94.524 and~~) in the form and  
37 manner prescribed in rules adopted by the department (~~and in~~  
38 ~~consultation with the commute trip reduction task force~~)).

1 (3) The credit shall be taken not more than once quarterly and not  
2 less than once annually against taxes due for the same calendar year in  
3 which the amounts for which credit is claimed were paid to or on behalf  
4 of employees for ride sharing, for using public transportation, or for  
5 using nonmotorized commuting and must be claimed by the due date of the  
6 last tax return for the calendar year in which the payment is made.

7 (4) The director shall on the 25th of February, May, August, and  
8 November of each year advise the state treasurer of the amount of  
9 credit taken during the preceding calendar quarter ending on the last  
10 day of December, March, June, and September, respectively.

11 (5) On the first of April, July, October, and January of each year,  
12 the state treasurer based upon information provided by the department  
13 shall deposit a sum equal to the dollar amount of the credit provided  
14 under subsection (1) of this section from the air pollution control  
15 account to the general fund.

16 (6) The commute trip reduction task force shall determine the  
17 effectiveness of this tax credit as part of its ongoing evaluation of  
18 the commute trip reduction law and report no later than December 1,  
19 ~~((1996))~~ 1997, to the legislative transportation committee and to the  
20 fiscal committees of the house of representatives and the senate. The  
21 report shall include information on the amount of tax credits claimed  
22 to date and recommendations on future funding for the tax credit  
23 program.

24 (7) Any person who knowingly makes a false statement of a material  
25 fact in the application for a credit under subsection (1) of this  
26 section is guilty of a gross misdemeanor.

27 (8) A person may not receive credit for amounts paid to or on  
28 behalf of the same employee under both this section and RCW 82.04.4453.

29 **Sec. 4.** RCW 82.16.049 and 1994 c 270 s 5 are each amended to read  
30 as follows:

31 (1) The department shall keep a running total of all credits  
32 granted under ~~((this chapter))~~ RCW 82.04.4453 and 82.16.048 during each  
33 calendar year, and shall disallow any credits that would cause the  
34 tabulation for any calendar year to exceed ~~((two))~~ one million five  
35 hundred thousand dollars.

36 (2) No employer shall be eligible for tax credits under RCW  
37 82.04.4453 and 82.16.048 in excess of ~~((two))~~ one hundred thousand  
38 dollars in any calendar year.

1 (3) No employer shall be eligible for tax credits under RCW  
2 82.16.048 in excess of the amount of tax that would otherwise be due  
3 under this chapter.

4 (4) No portion of an application for credit disallowed under this  
5 section may be carried back or carried forward.

6 NEW SECTION. Sec. 5. A new section is added to chapter 82.04 RCW  
7 to read as follows:

8 The definitions set forth in this section apply to RCW 82.04.4453,  
9 82.04.4454, 82.16.048, and 82.16.049 unless the context clearly  
10 requires otherwise.

11 (1) "Public agency" means any county, city, or other local  
12 government agency or any state government agency, board, or commission.

13 (2) "Public transportation" means the same as "public  
14 transportation service" as defined in RCW 36.57A.010 and includes  
15 passenger services of the Washington state ferries.

16 (3) "Nonmotorized commuting" means commuting to and from the  
17 workplace by an employee by walking or running or by riding a bicycle  
18 or other device not powered by a motor.

19 (4) "Ride sharing" means the same as "commuter ride sharing" as  
20 defined in RCW 46.74.010, including ride sharing on Washington state  
21 ferries.

22 **Sec. 6.** 1994 c 270 s 6 (uncodified) is amended to read as follows:  
23 This act shall expire December 31, (~~1996~~) 2000.

24 NEW SECTION. Sec. 7. (1) This act takes effect July 1, 1996.

25 (2) This act expires December 31, 2000.

Passed the Senate March 4, 1996.

Passed the House February 29, 1996.

Approved by the Governor March 21, 1996.

Filed in Office of Secretary of State March 21, 1996.