

2SSB 6326 - H AMD 1121

By Representative Kenney

WITHDRAWN 3/4/2006

1 On page 3, after line 19, insert the following:

2 "(c) Preference shall be given to employers with fewer than
3 fifty employees."

4 On page 4, after line 17, insert the following:

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

7 (1) The legislature finds that accountability and effectiveness
8 are important aspects of setting tax policy. In order to make
9 policy choices regarding the best use of limited state resources
10 the legislature needs information on how a tax incentive is used.

11 (2) Each person claiming a tax credit under section 5 of this
12 act shall report information to the department by filing a complete
13 annual survey. The survey is due by March 31st of the year
14 following any calendar year in which a tax credit under section 5
15 of this act is taken. The department may extend the due date for
16 timely filing of annual surveys under this section as provided in
17 RCW 82.32.590. The survey shall include the amount of tax credit
18 taken. The survey shall also include the following information for
19 employment positions in Washington:

20 (a) The number of total employment positions;

21 (b) Full-time, part-time, and temporary employment positions as
22 a percent of total employment;

23 (c) The number of employment positions according to the
24 following wage bands: Less than thirty thousand dollars; thirty
25 thousand dollars or greater, but less than sixty thousand dollars;
26 and sixty thousand dollars or greater. A wage band containing fewer
27 than three individuals may be combined with another wage band; and

28 (d) The number of employment positions that have
29 employer-provided medical, dental, and retirement benefits, by each
30 of the wage bands.

1 The first survey filed under this subsection shall also include
2 information for the twelve-month period immediately before first
3 use of a tax incentive.

4 (3) The department may request additional information necessary
5 to measure the results of the credit program, to be submitted at
6 the same time as the survey.

7 (4) All information collected under this section, except the
8 amount of the tax credit taken, is deemed taxpayer information
9 under RCW 82.32.330. Information on the amount of tax credit taken
10 is not subject to the confidentiality provisions of RCW 82.32.330.

11 (5) If a person fails to submit an annual survey under
12 subsection (2) of this section by the due date of the report or any
13 extension under RCW 82.32.590, the department shall declare the
14 amount of taxes credited for the previous calendar year to be
15 immediately due and payable. The department shall assess interest,
16 but not penalties, on the amounts due under this section. The
17 interest shall be assessed at the rate provided for delinquent
18 taxes under this chapter, retroactively to the date the credit was
19 claimed, and shall accrue until the taxes for which the credit was
20 claimed are repaid. This information is not subject to the
21 confidentiality provisions of RCW 82.32.330.

22 (6) The department shall use the information from this section
23 to prepare summary descriptive statistics by category. No fewer
24 than three taxpayers shall be included in any category. The
25 department shall report these statistics to the legislature each
26 year by September 1st.

27 (7) The department shall study the tax credit authorized in
28 section 5 of this act. The department shall submit a report to the
29 finance committee of the house of representatives and the ways and
30 means committee of the senate by December 1, 2008. The report shall
31 measure the effect of the credit on job creation, job retention,
32 company growth, the movement of firms or the consolidation of
33 firms' operations into the state, and such other factors as the
34 department selects.

35 NEW SECTION. **Sec. 7.** RCW 82.32.590 and 2005 c 514 s 1001 are
36 each amended to read as follows:

1 (1) If the department finds that the failure of a taxpayer to
2 file an annual survey under RCW 82.04.4452 or section 6 of this act
3 by the due date was the result of circumstances beyond the control
4 of the taxpayer, the department shall extend the time for filing
5 the survey. Such extension shall be for a period of thirty days
6 from the date the department issues its written notification to the
7 taxpayer that it qualifies for an extension under this section. The
8 department may grant additional extensions as it deems proper.

9 (2) In making a determination whether the failure of a taxpayer
10 to file an annual survey by the due date was the result of
11 circumstances beyond the control of the taxpayer, the department
12 shall be guided by rules adopted by the department for the waiver
13 or cancellation of penalties when the underpayment or untimely
14 payment of any tax was due to circumstances beyond the control of
15 the taxpayer."

16 On page 5, beginning on line 1, strike all of section 7

17 On page 5, line 12, after "July 1," strike "2016" and insert
18 "2009"

19 Renumber the remaining sections consecutively and correct any
20 internal references accordingly

21 Correct the title
22

EFFECT: Requires a participating employer who takes the tax credit to file a survey with the Department of Revenue with employment information. Requires that the program give preference to employers with less than 50 employees. Requires the Department of Revenue to report to the Legislature in December 2008 regarding job creation and related information. Expires the program on July 1, 2009, rather than 2016. Removes the appropriation from the bill.