

E2SHB 2572 - S AMD TO HEA COMM AMD (S5588.2) **220**
By Senator Parlette

PULLED 03/01/2006

1 On page 2, line 19 of the amendment, after "4 of this act" insert
2 "or a business and occupation tax deduction under section 5 of this
3 act"

4 On page 3, after line 27 of the amendment, insert the following:

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

7 (1) In computing tax there may be deducted from the measure of tax
8 the amount paid by small employers to provide health care services for
9 its employees. Payments made by employees are not eligible for
10 deduction under this subsection.

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

13 (a) "Small employer" has the meaning provided in RCW 48.43.005;

14 (b) "Health care services" means a health benefit plan as defined
15 in RCW 48.43.005, contributions to health savings accounts as defined
16 by the United States internal revenue service, or other health care
17 services purchased by the small employer for its employees."

18 Renumber the remaining sections consecutively and correct internal
19 references accordingly.

20 On page 5, after line 27 of the amendment, insert the following:

21 "NEW SECTION. **Sec. 14.** Section 5 of this act takes effect July 1,
22 2006."

23 Correct the title.

EFFECT: Provides a tax incentive for small employers who provide employer sponsored health care coverage.

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