

SB 5183-S - DIGEST

(SEE ALSO PROPOSED 2ND SUB)

Provides tax relief to promote affordable housing.

Provides that, in computing the tax imposed under chapter 82.04 RCW, a credit is allowed for each person for twenty-five percent of the value of donations made by the person to a nonprofit organization located in Washington that is exempt from federal income tax under section 501(c)(3) of the internal revenue code that uses a majority of its resources for the development, rehabilitation, or preservation of affordable housing.

Provides that, in the case of donated tangible items, the value of the donation shall be determined in the same manner that the term "value of the article used" is determined under RCW 82.12.010. In the case of labor and services, the value of the donation shall be determined by the allocation of the cost method using generally accepted accounting standards.

Declares that the credit under this act may be used against any tax due under this chapter.

Declares that no application is necessary for the tax credit, however, the person must keep records necessary for the department to verify eligibility under this act. These records include information relating to a description of the property donated by the person.

Declares that, for the purposes of this act, "affordable housing" has the same meaning as provided in RCW 43.185A.010.

Provides that a person selling real property that includes a low-cost single-family dwelling unit who has paid the tax levied by RCW 82.08.020 is eligible for an exemption in the form of a remittance, provided that the low-cost single-family dwelling unit is sold to a low-income buyer for use as that buyer's primary residence.