

**2SHB 1569** - H AMD 79

By Representative Ericksen

**FAILED 3/10/2007**

1 On page 29, after line 23, insert the following:

2 "NEW SECTION. **Sec. 404.** A new section is added to chapter  
3 82.04 RCW to read as follows:

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

8 (2) For the purposes of this section, the following definitions  
9 apply:

10 (a) "Small employer" has the meaning provided in RCW 48.43.005.

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

16 NEW SECTION. **Sec. 405.** Section 404 of this act takes effect  
17 August 1, 2007."

18 Correct internal references accordingly.

19 Correct the title.

20 **EFFECT:** Provides a B&O tax exemption for small businesses that  
21 offer health coverage for their employees.