

SHB 3014 - H AMD TO H AMD (H-5697.2/10) 1641

By Representative Springer

NOT CONSIDERED 3/11/2010

1 On page 9, after line 23 of the amendment, insert the following:

2  
3 "NEW SECTION. Sec. 10. A new section is added to chapter 82.60  
4 RCW to read as follows:

5 (1) Subject to the conditions in this section, a person is not  
6 liable for the amount of deferred taxes outstanding for an investment  
7 project when the person temporarily ceases to use its qualified  
8 buildings and qualified machinery and equipment for manufacturing or  
9 research and development activities in a county with a population of  
10 less than twenty thousand persons for a period not to exceed twenty-  
11 four months from the date that the department sent its assessment for  
12 the amount of outstanding deferred taxes to the taxpayer.

13 (2) The relief from repayment of deferred taxes under this  
14 section does not apply unless the number of qualified employment  
15 positions maintained at the investment project after manufacturing or  
16 research and development activities are temporarily ceased is at least  
17 ten percent of the number of qualified employment positions employed  
18 at the investment project at the time the deferral was approved by the  
19 department. If a person has been approved for more than one deferral  
20 under this chapter, relief from repayment of deferred taxes under this  
21 section does not apply unless the number of qualified employment  
22 positions maintained at the investment project after manufacturing or  
23 research and development activities are temporarily ceased is at least  
24 ten percent of the highest number of qualified employment positions at  
25 the investment project at the time any of the deferrals were approved  
26 by the department. If, at any time during the twenty-four month period  
27 after the department has sent the taxpayer an assessment for

1 outstanding deferred taxes resulting from the person temporarily  
2 ceasing to use its qualified buildings and qualified machinery and  
3 equipment for manufacturing or research and development activities,  
4 the number of qualified employment positions falls below the ten  
5 percent threshold in this subsection, the amount of deferred taxes  
6 outstanding for the project is immediately due.

7 (3) The lessor of an investment project for which a deferral has  
8 been granted under this chapter who has passed the economic benefits  
9 of the deferral to the lessee is not eligible for relief from the  
10 payment of deferred taxes under this section.

11 (4) A person seeking relief from the payment of deferred taxes  
12 under this section must apply to the department in a form and manner  
13 prescribed by the department. The application required under this  
14 subsection must be received by the department within thirty days of  
15 the date that the department sent its assessment for outstanding  
16 deferred taxes resulting from the person temporarily ceasing to use  
17 its qualified buildings and qualified machinery and equipment for  
18 manufacturing or research and development activities. The department  
19 must approve applications that meet the requirements in this section  
20 for relief from the payment of deferred taxes.

21 (5) A person is entitled to relief under this section only once.

22 (6) A person whose application for relief from the payment of  
23 deferred taxes has been approved under this section must continue to  
24 file an annual survey as required under RCW 82.60.070(1) or any  
25 successor statute. In addition, the person must file, in a form and  
26 manner prescribed by the department, a report on the status of the  
27 business and the outlook for commencing manufacturing or research and  
28 development activities."

29  
30 Renumber the sections consecutively and correct any internal  
31 references accordingly.

32  
33  
34 **EFFECT:** Allows tax deferrals remain in place for up to two  
years during periods of temporary shutdowns. Limited to facilities

1 in counties with a population of less than 20,000 people if the  
remaining labor force at the project is greater than 10 percent of  
2 labor force at the time the deferral was approved by the DOR.

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