

CERTIFICATION OF ENROLLMENT

SENATE BILL 6159

Chapter 249, Laws of 2012

(partial veto)

62nd Legislature
2012 Regular Session

BUSINESS AND OCCUPATION TAX--DEDUCTION--DISPUTE RESOLUTION SERVICES

EFFECTIVE DATE: 06/07/12

Passed by the Senate March 7, 2012
YEAS 48 NAYS 1

BRAD OWEN

President of the Senate

Passed by the House March 8, 2012
YEAS 96 NAYS 2

FRANK CHOPP

Speaker of the House of Representatives

Approved March 30, 2012, 1:29 p.m., with
the exception of Section 2 which is
vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of
the Senate of the State of
Washington, do hereby certify that
the attached is **SENATE BILL 6159** as
passed by the Senate and the House
of Representatives on the dates
hereon set forth.

THOMAS HOEMANN

Secretary

FILED

March 30, 2012

**Secretary of State
State of Washington**

SENATE BILL 6159

Passed Legislature - 2012 Regular Session

State of Washington 62nd Legislature 2012 Regular Session

By Senators Hargrove, Regala, Harper, and Padden

Read first time 01/12/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to a business and occupation tax deduction for
2 amounts received with respect to dispute resolution services; adding a
3 new section to chapter 82.04 RCW; and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW
6 to read as follows:

7 (1) A qualified dispute resolution center may deduct from the
8 measure of tax amounts received as a contribution from federal, state,
9 or local governments and nonprofit organizations for providing dispute
10 resolution services.

11 (2) A nonprofit organization may deduct from the measure of tax
12 amounts received from federal, state, or local governments for
13 distribution to a qualified dispute resolution center.

14 (3) A qualified dispute resolution center must:

15 (a) Be established under chapter 7.75 RCW; and

16 (b) Provide services either without charge to the participants or
17 for a fee that is based on the participant's ability to pay, as
18 required by RCW 7.75.030.

1 (4) As used in this section, a "nonprofit organization" has the
2 same meaning as in RCW 82.04.3651(2).

3 ***NEW SECTION. Sec. 2. This act applies prospectively as well as**
4 **retroactively.**

**Sec. 2 was vetoed. See message at end of chapter.*

Passed by the Senate March 7, 2012.

Passed by the House March 8, 2012.

Approved by the Governor March 30, 2012, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State March 30, 2012.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 2, Senate
Bill 6159 entitled:

"AN ACT Relating to a business and occupation tax deduction for
amounts received with respect to dispute resolution services."

Senate Bill 6159 allows dispute resolution centers to deduct amounts
they receive as contributions from federal, state, and local
government or nonprofit organizations from the measure of the business
and occupation tax. Nonprofit organizations may also deduct from the
measure of tax amounts received from federal, state, or local
governments for distribution to a qualified dispute resolution center.

Section 2 would apply this deduction from the measure of the tax both
prospectively and retroactively. The retroactive application of the
bill would reward delinquent taxpayers, while those who paid on time
would not receive a refund under the prohibition on the gift of state
funds in Article VIII, Section 5 of the Washington Constitution, as
interpreted by the Washington Supreme Court.

For this reason, I have vetoed Section 2 of Senate Bill 6159.

With the exception of Section 2, Senate Bill 6159 is approved."