

**SB 6690 - S AMD 1366**

By Senator Hasegawa

**NOT ADOPTED 03/10/2020**

1 Beginning on page 1, line 6, strike all of section 1 and insert  
2 the following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04  
4 RCW to read as follows:

5 (1) Beginning on April 1, 2020, the tax rates in RCW  
6 82.04.260(11) do not apply unless the following conditions are met:

7 (a) The United States and the European Union reach an agreement  
8 resolving their world trade organization disputes regarding large  
9 civil airplanes that expressly allows the tax rates in RCW  
10 82.04.260(11);

11 (b) A taxpayer certifies in the manner and form prescribed by the  
12 department that the taxpayer meets all of the requirements of the  
13 agreement in (a) of this subsection that allows the tax rates in RCW  
14 82.04.260(11);

15 (c) The department issues a determination that the conditions in  
16 (a) and (b) of this subsection have been met, in which case the tax  
17 rates in RCW 82.04.260(11) apply as of the date of the taxpayer's  
18 certification to the department; and

19 (d) A taxpayer with beneficiary savings in excess of eighty  
20 million dollars from the preferential rate under RCW 82.04.260(11) in  
21 calendar year 2018 must have employed at least fifty-one percent of  
22 its total workforce in the state of Washington in the prior calendar  
23 year.

24 (2) If the tax rates in RCW 82.04.260(11) are reinstated under  
25 subsection (1) of this section, a taxpayer with beneficiary savings  
26 in excess of eighty million dollars from the preferential rate under  
27 RCW 82.04.260(11) in calendar year 2018 must maintain at least fifty-  
28 one percent of its total workforce in the state of Washington. The  
29 department, in consultation with the employment security department  
30 and using data provided by the bureau of labor statistics, shall make  
31 this determination on an annual basis by March 1st of each year. If  
32 the fifty-one percent requirement is not met for the prior calendar

1 year, the tax rates in RCW 82.04.260(11) do not apply beginning on  
2 the next subsequent July 1st for all taxpayers claiming the rates  
3 under RCW 82.04.260(11).

4 (3) The department must provide written notice of the  
5 determination and effective date to affected parties, the chief clerk  
6 of the house of representatives, the secretary of the senate, the  
7 office of the code reviser, and others as deemed appropriate by the  
8 department.

9 (4) For the purpose of this section, "world trade organization  
10 disputes regarding large civil airplanes" means any disputes filed by  
11 the United States or the European Union prior to the effective date  
12 of this section that involve either allegations of subsidies to large  
13 civil airplanes, or allegations of taxes imposed by Washington on  
14 commercial airplanes, or both."

EFFECT: Requires the largest airplane manufacturer in Washington  
to maintain at least 51 percent of its total workforce in Washington  
in order to reinstate preferential B&O tax rates.

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