

HB 2487 - H AMD TO H AMD (H-3790.2/26) 2536
By Representative Macri

ADOPTED 03/06/2026

1 On page 3, line 17, after "(4)" insert "This chapter does not
2 apply to gross premiums received by an assigned risk plan established
3 by an act of the legislature, either directly or indirectly, where
4 premium taxes were paid by a servicing carrier for such assigned risk
5 plan.

6 (5)"

7 Renumber the remaining subsections consecutively and correct any
8 internal references accordingly.

9 On page 3, line 35, after "48.01.050" insert "and also includes
10 health maintenance organizations regulated under chapter 48.46 RCW
11 and health care service contractors regulated under chapter 48.44
12 RCW"

13 On page 4, line 8, after "RCW" insert ", and allow any person who
14 owes delinquent taxes due under this chapter to enter into a three-
15 year repayment schedule for taxes owed,"

16 On page 4, line 9, after "The" strike "penalties and interest"
17 and insert "taxes owed, and any penalties and interest,"

18 On page 4, line 14, after "The" strike "penalties and interest"
19 and insert "taxes owed, and any penalties and interest,"

20 On page 4, line 18, after "waiver" insert ", and repayment
21 schedule,"

22 On page 4, line 20, after "waiver" insert ", and repayment
23 schedule,"

24 On page 4, beginning on line 23, after "payment" strike all
25 material through "invoice" on line 24 and insert "in accordance with
26 the repayment schedule"

1 On page 4, line 30, after "waiver" insert ", and repayment
2 schedule,"

3 On page 5, line 17, after "annually" insert ", unless 50 percent
4 or more of the worldwide gross revenue of all members of an
5 affiliated group is from the payment of insurance premiums during the
6 immediately preceding calendar year, in which case the combined
7 surcharge imposed under this subsection (1) paid by all members of an
8 affiliated group may be no more than \$25,000,000 annually"

9 On page 6, line 25, after "otherwise;" strike "and" and insert
10 "~~(and)~~"

11 On page 6, line 26, after "(vi)" insert ""Premium" has the same
12 meaning as in RCW 48.18.170; and
13 (vii)"

14 Correct any internal references accordingly.

15 On page 7, line 16, after "48.01.050," insert "or any health
16 maintenance organization regulated under chapter 48.46 RCW or health
17 care service contractor regulated under chapter 48.44 RCW,"

EFFECT: (1) Adds a new business and occupation (B&O) tax exemption for gross premiums received by an assigned risk plan established by an act of the legislature, either directly or indirectly, where premium taxes were paid by a servicing carrier for such assigned risk plan.

(2) Modifies the definition of "insurer" for the purpose of the insurance premium exemption from the B&O tax, such that it also covers qualifying health maintenance organizations and health care service contractors.

(3) Modifies the insurance premium exemption from the workforce education investment surcharge to also cover qualifying health maintenance organizations and health care service contractors.

(4) Modifies the combined surcharge cap for the workforce education investment surcharge by providing that, when fifty percent or more of the worldwide gross revenue of all members of an affiliated group is from the payment of insurance premiums during the immediately preceding calendar year, the combined surcharge paid by all members of an affiliated group may be no more than \$25,000,000 annually. Defines "premium" as all sums charged, received, or deposited as consideration for an insurance contract or the continuance thereof, excluding certain regulatory surcharges.

(5) Directs the Department of Revenue to allow any person who owes delinquent B&O taxes to enter into a three-year repayment schedule for taxes owed as a result of a person taking an insurance premium exemption on gross income not subject to that exemption, but only for taxes due on gross income of the business between October 2, 2019, and March 31, 2026. The provision of a three-year repayment

schedule under this section is subject to various requirements and limitations.

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