

**RCW 82.62.030 Allowance of tax credits—Limitations—Expiration.**

(1) (a) A person shall be allowed a credit against the tax due under chapter 82.04 RCW as provided in this section. The credit shall equal: (i) Four thousand dollars for each qualified employment position with wages and benefits greater than forty thousand dollars annually that is directly created in an eligible business project and (ii) two thousand dollars for each qualified employment position with wages and benefits less than or equal to forty thousand dollars annually that is directly created in an eligible business project.

(b) For purposes of calculating the amount of credit under (a) of this subsection with respect to qualified employment positions as defined in RCW 82.62.010(8) (a) (ii):

(i) In determining the number of qualified employment positions, a fractional amount is rounded down to the nearest whole number; and

(ii) Wages and benefits for each qualified employment position shall be equal to the quotient derived by dividing: (A) The sum of the wages and benefits earned for the four consecutive full calendar quarter period for which a credit under this chapter is earned by all of the person's new seasonal employees hired during that period; by (B) the number of qualified employment positions plus any fractional amount subject to rounding as provided under (b) (i) of this subsection. For purposes of this chapter, a credit is earned for the four consecutive full calendar quarters after the calendar quarter during which the first qualified employment position is filled.

(2) The department shall keep a running total of all credits allowed under this chapter during each fiscal year. The department shall not allow any credits which would cause the total to exceed seven million five hundred thousand dollars in any fiscal year. If all or part of an application for credit is disallowed under this subsection, the disallowed portion shall be carried over to the next fiscal year. However, the carryover into the next fiscal year is only permitted to the extent that the cap for the next fiscal year is not exceeded.

(3) No recipient may use the tax credits to decertify a union or to displace existing jobs in any community in the state.

(4) (a) The credit may be used against any tax due under chapter 82.04 RCW, and, except as otherwise provided under this subsection (4), may be carried over until used.

(b) Credits earned expire the first day of January of the year that is six years from the later of the year that:

(i) The department is notified by the recipient, or a representative of the recipient, that the recipient has ceased engaging in business within this state as those terms are defined in chapter 82.04 RCW;

(ii) The department closes the recipient's tax reporting account; or

(iii) The recipient last claimed the credit on a return filed with the department.

(5) No refunds may be granted for unused credits under this section. [2022 c 56 § 12; 2007 c 485 § 3; 2001 c 320 § 13; 1999 c 164 § 306; 1997 c 366 § 5; 1996 c 1 § 3; 1986 c 116 § 17.]

**Application—2007 c 485:** See note following RCW 82.62.010.

**Application—Effective date—2007 c 485:** See notes following RCW 82.62.020.

**Effective date—2001 c 320:** See note following RCW 11.02.005.

**Findings—Intent—Part headings and subheadings not law—Effective date—Severability—1999 c 164:** See notes following RCW 43.160.010.

**Savings—1999 c 164 §§ 301-303, 305, 306, and 601-603:** See note following RCW 82.60.020.

**Intent—Goals—Severability—Captions and part headings not law—1997 c 366:** See notes following RCW 82.14.370.

**Effective date—1996 c 1:** See note following RCW 82.04.255.