




STATE OF WASHINGTON  
**DEPARTMENT OF REVENUE**  
OFFICE OF THE DIRECTOR

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November 30, 2018

**TO:** Brad Hendrickson, Secretary  
Washington State Senate  
  
Bernard Dean, Chief Clerk  
Washington State House of Representatives

**FROM:** Randy Simmons, Acting Director 

**SUBJECT:** High Unemployment County Deferral Program Report

RCW 82.60.070(1)(b) requires the Department of Revenue to study the high unemployment county deferral program and report to the Legislature by December 1, 2018. This program allows manufacturers in high unemployment counties in Washington State to defer state and local sales taxes associated with qualifying investment projects. The Department waives the taxes in eight years, if the manufacturer meets certain requirements.

This report provides a discussion of the program and its requirements, a variety of data and summary information about program participants, and an analysis of the effect of the program on job creation, the number of jobs created for residents of eligible areas, and company growth, as required by the statute.

The report is available on our statistics and reports website at: <https://dor.wa.gov/about/statistics-reports>.

If you have questions about this report, please contact Kathy Oline, Assistant Director of Research and Fiscal Analysis, at (360) 534-1534.

Attachment

cc: Members, Senate Ways and Means Committee  
Members, House Finance Committee  
Members, House Appropriations Committee  
David Schumacher, Director, Office of Financial Management  
Drew Shirik, Executive Director, Legislative Affairs