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HOUSE BILL 2606

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State of Washington

66th Legislature

2020 Regular Session

By Representative Young

1 AN ACT Relating to providing a business and occupation tax credit  
2 for financial institutions issuing loans for affordable housing  
3 programs; adding a new section to chapter 82.04 RCW; creating a new  
4 section; and providing an effective date.

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

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

8 (1) In computing the tax imposed under this chapter, a credit is  
9 allowed for all taxes paid during the calendar year on interest  
10 received by financial institutions for loans issued for affordable  
11 housing projects.

12 (2) A person claiming the credit under this section is subject to  
13 all the requirements of chapter 82.32 RCW. A credit earned during one  
14 calendar year may be carried over to be credited against taxes  
15 incurred in the subsequent calendar year, but may not be carried over  
16 a second calendar year. Credits carried over must be applied to tax  
17 liability before new credits. No refunds may be granted for credits  
18 under this section.

19 (3) A person claiming the credit provided in this section must  
20 file a complete annual tax performance report with the department  
21 under RCW 82.32.534.

1        NEW SECTION.    **Sec. 2.**    The provisions of RCW 82.32.805 and  
2    82.32.808 do not apply to section 1 of this act.

3        NEW SECTION.    **Sec. 3.**    This act takes effect July 1, 2020.

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