
HOUSE BILL 1520

State of Washington

67th Legislature

2021 Regular Session

By Representatives Young and Walsh

1 AN ACT Relating to providing business and occupation tax relief
2 for businesses impacted by the COVID-19 pandemic; adding a new
3 section to chapter 82.04 RCW; creating a new section; providing an
4 effective date; providing an expiration date; and declaring an
5 emergency.

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

7 NEW SECTION. **Sec. 1.** The legislature acknowledges that the
8 effects of the COVID-19 pandemic have had major negative economic
9 impacts on businesses across the state. Reducing such impacts and
10 helping businesses forced to close or operate at diminished capacity
11 for extended periods of time is not only the compassionate and
12 reasonable thing to do, but it is also in the best long-term
13 interests of Washington's tax revenue production. As such, the
14 legislature intends to allow shuttered businesses the opportunity to
15 quickly earn back much needed lost revenue, improve their near-term
16 capital liquidity and increase their short-term margins, and
17 streamline their ability to compete and get back up to speed by
18 removing the need to pay business and occupation taxes for a short
19 period of time.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04
2 RCW to read as follows:

3 Between April 1, 2021, and March 31, 2022, a business may claim
4 an exemption pursuant to subsection (1), (2), or (3) of this section
5 from taxes levied under this chapter.

6 (1)(a) A business meeting the requirements of (b) of this
7 subsection qualifies for an exemption from any tax levied under this
8 chapter including, but not limited to, RCW 82.04.220 and 82.04.299
9 for six months.

10 (b) As the result of an emergency proclamation issued by the
11 governor February 29, 2020, and the COVID-19 pandemic, the business
12 had to close for a period of at least 90 but less than 150 days
13 between April 1, 2020, and March 31, 2021. The days do not need to be
14 contiguous.

15 (2)(a) A business meeting the requirements of (b) of this
16 subsection qualifies for an exemption from any tax levied under this
17 chapter including, but not limited to, RCW 82.04.220 and 82.04.299
18 for nine months.

19 (b) As the result of an emergency proclamation issued by the
20 governor February 29, 2020, and the COVID-19 pandemic, the business
21 had to close for a period of at least 150 days between April 1, 2020,
22 and March 31, 2021. The days do not need to be contiguous.

23 (3)(a) A business meeting the requirements of (b) of this
24 subsection qualifies for an exemption from any tax levied under this
25 chapter including, but not limited to, RCW 82.04.220 and 82.04.299
26 for four months.

27 (b) As the result of an emergency proclamation issued by the
28 governor February 29, 2020, and the COVID-19 pandemic: (i) The
29 business had to operate at forced diminished capacity of 50 percent
30 or less between April 1, 2020, and March 31, 2021, for at least 90
31 days, which do not need to be contiguous; or (ii) the business
32 experienced a net revenue loss of more than 49 percent for the period
33 between April 1, 2020, and March 31, 2021.

34 (4) A business may only claim one exemption under this section.

35 (5) An exemption claimed under this section must be used for
36 taxes due on or before April 1, 2022.

37 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
38 preservation of the public peace, health, or safety, or support of

1 the state government and its existing public institutions, and takes
2 effect April 1, 2021.

3 NEW SECTION. **Sec. 4.** This act expires May 1, 2022.

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