




**Green Jobs Tax Credit**

**City of Tacoma Finance Department**

**Government Performance & Finance Committee**  
**November 21, 2023**

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## Overview

6A.30.065 – Business & Occupation Tax – Job Credits  
Proposed Amendments

- Redefine the Green Jobs Tax Credit to better align with newly adopted Tacoma Green Economic Development Strategy
- Increase the amount of the credit from \$250 to \$1,000

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## Background



- December 17, 2017 - City Council approved two new Job Credits – Green Jobs and Tacoma Resident
- Tacoma Green Jobs Tax Credit offers a reduction to B&O obligation of qualifying businesses for a period of five years
- June 13, 2023 - City Council adopted the Tacoma Green Economic Development Strategy

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## Background



Four Job Credits available to offset City B&O tax

Job Credit	Amount
Base Credit - Minimum Hourly Wage	\$500
Tacoma Resident	\$500
Green Job	\$250
Empowerment Zone	\$250

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## Issues



- The Green Economic Development Strategy identified industry sectors to target:
  - Clean energy
  - Green products
  - Industrial symbiosis
  - Maritime
- Current language is redundant, and definitions are overly broad

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## Issues




Broaden the incentive by increasing the credit amount from \$250 to \$1,000/year for the 5-year period

		Current	Proposed
<b>Credit Amount</b>		<b>\$250</b>	<b>\$1,000</b>
Average number of credits/yr	17	\$4,250	\$17,000
Additional Credit Available			<u><b>\$12,750</b></u>

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## Issues

### Other Amendments

- General clean-up of language
- Compliance with state law

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## NEXT STEPS

- First Reading: December 12, 2023
- Second Reading: December 19, 2023
- Effective Date: January 2, 2024

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