

Business & Occupation Tax Job Credit

City of Tacoma

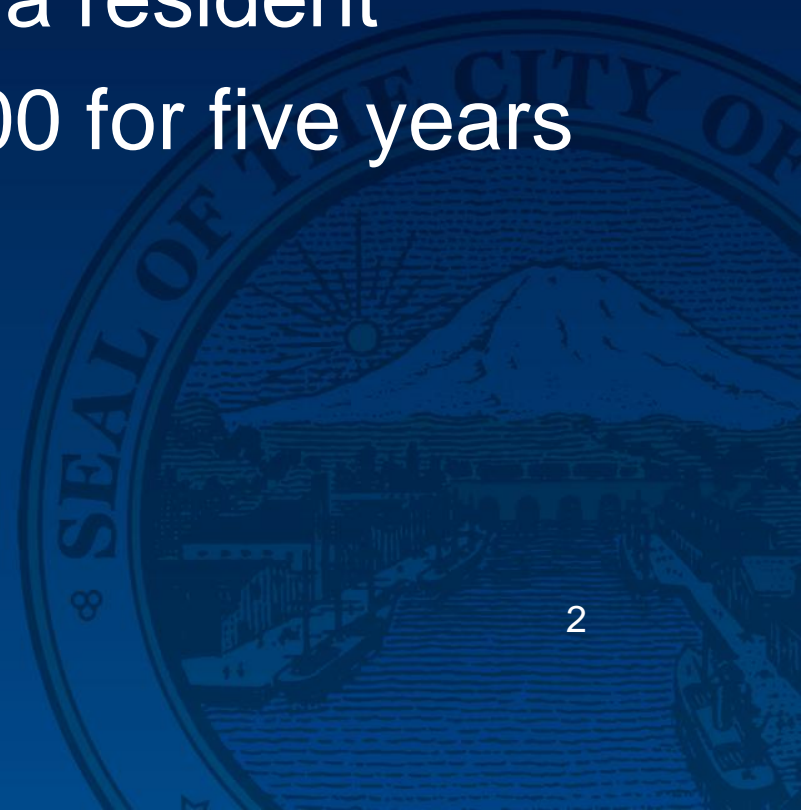
Finance/Tax & License

**Government Performance Finance Committee
December 6, 2017**



Overview

- New Job Tax Credit
 - Employee is Tacoma resident
 - Annual credit of \$500 for five years



Background

- Created in 1999 as incentive to encourage business growth
- Annual credit of \$500 for five years for new qualifying position
- Additional annual credit of \$250 if qualified under RCW 82.04.44525
 - International Services in a Community Empowerment Zone

Background

Year	# of New Positions	# of Credits Available to Use
2001	23	23
2002	44	67
2003	53	120
2004	372	492
2005	369	861
2006	299	1137
2007	346	1439
2008	232	1618
2009	161	1407
2010	120	1158
2011	124	983
2012	192	829
2013	143	740
2014	144	723
2015	90	693
2016	103	672
2017	18	498
Grand Total	2833	

Existing Job Credit

- Qualifying Position must be:
 - New to Tacoma workforce
 - Permanent
 - Full-time
 - Pay at least “Family Wage”
 - 2017 wage is \$19.12
 - Maintained for at least five years

New Job Credit

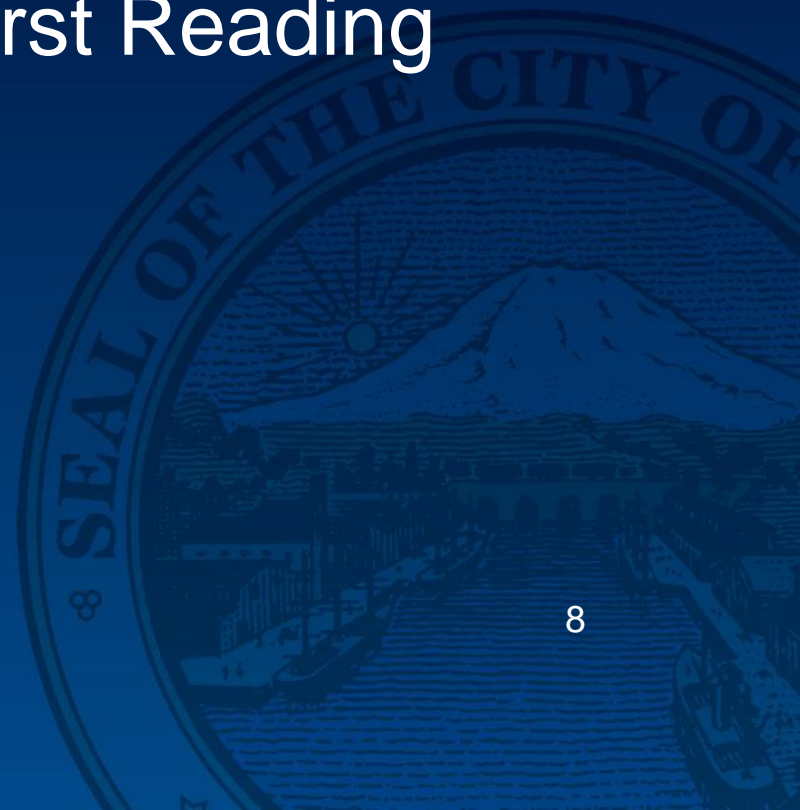
- Additional \$500 annual credit
 - Meets definition of a “Qualified position”
 - Filled by a Tacoma resident

New Job Credit

Base Credit	\$500
- Full-time	
- Permanent	
- Pays Family Wage	
Additional Credit	\$250
- International Services	
- Empowerment Zone	
Proposed Credit	\$500
- Tacoma Resident	
Total Possible Credit	\$1,250

Next Steps

- December 12th - First Reading



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