

## Proposal for Update to 2020 Review Schedule

The Alternative Fuel Commercial Vehicle Credit (B&O and Public Utility Taxes) was initially scheduled by the Commission for review in 2020, due to the fact that it had a 2022 expiration date.

Subsequent to this, the JLARC staff have now identified that this preference was modified in the 2019 session through ESSB 2042. This legislation:

- Increased the amount of the credit for up to 75 percent of the incremental cost of the vehicle purchased above the purchase price of a comparable conventionally fueled vehicle.
- Expanded the potential beneficiaries.
- Removed the 2022 expiration date and provided the preferences will instead expire when \$32.5M in credits have been used since the credit was established in 2015.

Given the changes and extension of the expiration date, we recommend moving the preference to the 2023 review cycle. ESSB 2042 also established new or extended current clean transportation preferences, including electric vehicle battery charging stations, alternative fuel vehicles, electric vehicle infrastructure, and battery powered electric vessels, all of which are scheduled to expire in 2025.

In its place, we recommend reviewing the following in 2020:

### **Microbrewers (Beer Tax)**

RCW 66.24.290(3)(b) established 1993

**Estimated Biennial Savings: \$6.4M**

If time permits, we would also include the following as an alternate on the 2020 schedule:

### **Wholesale Auto Auctions (B&O Tax)**

RCWs 82.04.317; 82.04.422(1)1

**Estimated Biennial Savings: \$3.0M**