

RCW 82.04.2905 Tax on providing day care. (Effective until January 1, 2027.) (1) Except as provided in subsection (2) of this section, upon every person engaging within this state in the business of providing child care for periods of less than twenty-four hours, the amount of tax with respect to such business is equal to the gross proceeds derived from such sales multiplied by the rate of 0.484 percent.

(2) Until January 1, 2035, this chapter does not apply to amounts received by a child care provider for the care and supervision for periods of less than 24 hours of children:

(a) Under 13 years of age; or

(b) Under 19 years of age who have a verified special need or are under court supervision as determined by the department of children, youth, and families under chapter 43.216 RCW.

(3) The exemption under subsection (2) of this section applies only to persons primarily engaged in the business of providing child care. [2024 c 195 s 2; 1998 c 312 s 7.]

Tax preference performance statement—2024 c 195 s 2: "(1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter 195, Laws of 2024. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2) (e).

(3) It is the legislature's specific public policy objective to reduce the costs associated with providing child care by expanding the business and occupation tax exemption for child care services to include income derived from the care and education of children up to age 12.

(4) If a review finds a reduction in the cost of providing child care and education, then the legislature intends to extend the expiration date of this tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to any data collected by the state." [2024 c 195 s 1.]

Effective date—2024 c 195: "This act takes effect October 1, 2024." [2024 c 195 s 3.]

Effective date—Savings—1998 c 312: See notes following RCW 82.04.332.

RCW 82.04.2905 Tax on providing day care. (Effective January 1, 2027.) (1) Except as provided in subsection (2) of this section, upon every person engaging within this state in the business of providing child care for periods of less than twenty-four hours, the amount of tax with respect to such business is equal to the gross proceeds derived from such sales multiplied by the rate of 0.5 percent.

(2) Until January 1, 2035, this chapter does not apply to amounts received by a child care provider for the care and supervision for periods of less than 24 hours of children:

(a) Under 13 years of age; or

(b) Under 19 years of age who have a verified special need or are under court supervision as determined by the department of children, youth, and families under chapter 43.216 RCW.

(3) The exemption under subsection (2) of this section applies only to persons primarily engaged in the business of providing child care. [2025 c 420 s 110; 2024 c 195 s 2; 1998 c 312 s 7.]

Effective date—2025 c 420 ss 101-108 and 110-112: See note following RCW 82.04.230.

Tax preference performance statement exemption—Automatic expiration date exemption—Necessity of act—2025 c 420: See notes following RCW 82.04.230.

Tax preference performance statement—2024 c 195 s 2: "(1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter 195, Laws of 2024. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to reduce the costs associated with providing child care by expanding the business and occupation tax exemption for child care services to include income derived from the care and education of children up to age 12.

(4) If a review finds a reduction in the cost of providing child care and education, then the legislature intends to extend the expiration date of this tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to any data collected by the state." [2024 c 195 s 1.]

Effective date—2024 c 195: "This act takes effect October 1, 2024." [2024 c 195 s 3.]

Effective date—Savings—1998 c 312: See notes following RCW 82.04.332.