

Special Notice

Intended audience: Registered businesses or persons contributing to a Main Street Organization

Sept. 9, 2021

Main Street Tax Credit Program

Washington law provides a credit against the business and occupation tax (B&O) and the public utility tax (PUT) for approved contributions that are made by a business to a Main Street Organization or the Main Street Trust Fund. Effective Oct. 1, 2021, several changes are made to the Main Street Tax Credit Program.

What is new?

- The statewide cap for approved credits has increased from \$2.5M to \$5M. Therefore, the department will re-open the 2021 application process at 8 a.m. on Oct. 1, 2021. The online application will remain open until the \$5M cap has been met.
- Effective 2022, applications will open at 8 a.m. on the second Monday in January.
- Credit earned for contributions made in 2020 can be carried over for an additional two years, until Dec. 31, 2023. Carry-over of credit is not otherwise allowed.
- Beginning with contributions made in 2021, the credit for contributions made to the Main Street Trust Fund increases from 50% to 75%.
- Total credits allowed for contributions made to each qualified Main Street Organization has increased from \$100K to \$160K in a calendar year.

The expiration date is Jan. 1, 2032.

Questions?

Please visit dor.wa.gov or call 360-705-6705.

See SHB 1279, Chapter 112, Laws of 2021.