

**City of Ocean Shores Transportation Benefit District  
Car Dealers and Leasing Companies  
Effective January 1, 2019**

*Effective January 1, 2019*, the City of Ocean Shores will establish a Transportation Benefit District (TBD). Sales and use tax within the City of Ocean Shores will increase two-tenths of one percent (.002). The tax will be used for transportation services.

Businesses must collect the appropriate new rate of sales tax for retail sales and services provided within the City of Ocean Shores. Persons or businesses within the City of Ocean Shores will be subject to the new tax rate of use tax on items purchased for their personal or business use if sales tax has not been paid.

**Special Reporting Instructions for Sales or Leases of Motor Vehicles:**

Businesses that report sales or leases of motor vehicles (for up to the first thirty-six months of the lease) will need to report using the following location code and tax rate. After the thirty-six months of motor vehicle leases, the original city code should be used.

| Location              | Location Code Number | Local Sales Tax Rate | State Sales Tax Rate | Total Sales Tax Rate |
|-----------------------|----------------------|----------------------|----------------------|----------------------|
| Ocean Shores TBD MVET | 1459                 | .022                 | .065                 | .087                 |

**Reporting Instructions for Retail Sales:**

Businesses that report retail sales (other than sales or leases of motor vehicles) will need to report using the following location code and tax rate:

| Location         | Location Code Number | Local Sales Tax Rate | State Sales Tax Rate | Total Sales Tax Rate |
|------------------|----------------------|----------------------|----------------------|----------------------|
| Ocean Shores TBD | 1409                 | .025                 | .065                 | .090                 |

Below is an example of how to report local retail sales tax on your excise tax return assuming sales of motor vehicles total \$50,000 and repairs total \$10,000 in Ocean Shores.

| Location Code | Taxable Amount | Local Rate | Tax Due City or Co. |
|---------------|----------------|------------|---------------------|
| 1409          | 10,000 00      | .025       | 250 00              |
| 1459          | 50,000 00      | .022       | 1100 00             |
| TOTAL TAXABLE | 60,000 00      | TOTAL      | 1350 00             |

**New sales tax applies i.e. service and parts.**

**Represents only motor vehicle sales.**

| Tax Classification                       | Taxable Amount | Rate | Tax Due |
|--|----------------|------|---------|
| Motor Vehicle Sales/Leases (eff. 7/1/03) | 50,000 00      | .003 | 150 00  |

**Note:** The three-tenths of one percent (.003) Motor Vehicle Sales/Lease Tax that was implemented July 1, 2003 still applies to the sale, lease, or rental of motor vehicles.

To determine the proper codes and rates of local sales tax you may access our Tax Rate Lookup Tool located at [dor.wa.gov](http://dor.wa.gov). On the home page, click on the **Find a sales or use tax rate** link.

This notice is being sent to businesses that have reported local sales or use tax to the City of Ocean Shores within the last year.

If you have questions, or if Sales Tax Collection Schedules are needed, please go to our web site at [dor.wa.gov](http://dor.wa.gov) or call the Department of Revenue at 1-800-647-7706.