



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

November 18, 2013

Tax Exemptions for Honey Beekeepers

Effective July 1, 2013, exemptions for “eligible apiarists” from business and occupation (B&O) tax, retail sales tax, and use tax for have been modified and extended to July 1, 2017. (See RCW 82.04.629, RCW 82.04.330, RCW 82.08.0204, and RCW 82.08.200.)

Who Qualifies?

Only “eligible apiarists” qualify for this exemption. An eligible apiarist is a person who:

- Owns or keeps one of more bee colonies;
- Grows, raises, or produces honey bee products for sale at wholesale; and
- Registers their hive/colonies with the Washington State Department of Agriculture as required by RCW 15.60.021

(For more information about the Dept. of Agriculture’s hive registration program, please visit <http://agr.wa.gov/Plantsinsects/apiary/> or call (360) 902-2070)

A “bee colony” is defined as a natural group of honey bees containing 7,000 or more workers and one or more queens, housed in a man-made hive with moveable frames, and operated as a beekeeping unit.

B&O tax exemptions

The following activities are exempt from B&O tax:

Wholesale sales of honey bee products by an eligible apiarist.

Honey bee products are defined as:

- Queen honey bees
- Packaged honey bees
- Honey
- Pollen
- Bees Wax
- Propolis
- Other substances obtained from honey bees

This B&O tax exemption does not extend to retail sales of honey bee products. Retail sales tax also applies to retail sales of honey bee products that are nonfood products.

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Bee pollination services

Income received by an eligible apiarist for providing bee pollination services to a farmer (as defined in RCW 82.04.213). The eligible apiarist must provide pollination services using bee colonies that the eligible apiarist owns or keeps.

Important: Income received from brokering bees remains subject to B&O tax under the Service and Other Activities classification. A broker is generally a third party who simply arranges for an apiarist to place bee colonies in a farmer's fields or orchards. The apiarist, rather than the broker, owns or keeps the colonies.

Sales/ Use Tax Exemptions

Sales and use tax exemptions are provided for the following:

- - **Purchases of bees** by an eligible apiarist.
Sellers of honey bees to eligible apiarists must report their gross sales and then take a deduction for Sales of Honey Bees to Eligible Apiarists.
- - **Purchases of feed** used by an eligible apiarist in the raising of a bee colony used to make honey products.
Sellers of feed to eligible apiarist must report their gross sales and then take a deduction for Sales of Feed to Eligible Apiarists.

To document the exempt purchase, the eligible apiarist (buyer) must give the seller a properly completed "[Buyer's Retail Sales Tax Exemption Certificate](#)" at the time of purchase. The exemption certificate is available at <http://dor.wa.gov> under "Get a form or publication".

Sales or use tax is owed on the purchase of other items such as bee hives, hive components, extractors, protective clothing, and beekeeping equipment.

How to report and pay use tax

If you are required to file a combined excise tax return, report use tax on your next return.

If you are not required to file an excise tax return, you can report use tax by completing a [Consumer Use Tax Return](#) available on the Department's website at dor.wa.gov under "Get a form or publication."

For more information

Please call the Department of Revenue at 360-705-6705.

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For tax assistance or to request this document in an alternate format, visit dor.wa.gov or call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711