



Capital Gains Status Update

June 26, 2023

Business Advisory Council

Alyson Fouts

Stats as of June 22, 2023

- 5,724 capital gains accounts registered.
- 1,397 returns filed.
- 2,583 filing extensions requested (due October 16, 2023).
- 3,336 payments received (totaling \$855.7 million).
- Received 390 letter rulings / responded to 362

Estimate vs Actual

- Original FN estimated \$442 million vs \$855.7 million.
- Less payments received than estimated
- Average payments larger than anticipated
- 90% of payments are estimates – expect changes in October ‘23
- Tax planning in 2023 could impact 2024 Capital Gains revenue

Lessons Learned

- Too many steps to make a payment when requesting an extension.
- Need additional education - extensions *must* be requested prior to the due date.
- Refunds of estimated payments require a return to be filed.

What's Ahead

- Continue responding to letter rulings
- Continue rule making
 - WAC 458-20-300 Overview and administration adopted
 - Policy Rule
 - CR-101 filed, rule hearing scheduled July 12, 2023
 - May create interim guidance to address additional issues prior to rule adoption
- Implementation of Modernized Electronic Filing (MeF)

Questions?