

2022 TAX REFERENCE MANUAL

Information on Select State and Local Taxes
in Washington State

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2022 Tax Reference Manual

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Introduction

The tax reference manual provides background information on over 40 taxes and fees used by state and local governments in Washington. The Research and Fiscal Analysis Division of the Department of Revenue prepared this document. It updates the previous version published in January 2019.

This document describes the general features and historical background for the Washington tax system. It is not a “how-to” guide for taxpayers on reporting any taxes or fees. It does not contain legal interpretations of state tax laws. It is not instructions for how to calculate or submit taxes.

Caution: Tax laws and tax rates change. Do not use the information in this document to report any taxes or fees. Please visit the Department of Revenue’s website to find this information at: <https://dor.wa.gov>.

WHAT IS NEW IN THIS EDITION?

The 2022 publication reflects tax changes that occurred in the last four years, and:

- Includes new chapters for:
 - New taxes since the previous publication.
 - Existing taxes not previously included.
- Reports total state collections from all Washington taxes or fees. Previous editions reported total collections only from Department of Revenue administered taxes and fees.
- Reduces redundancies and the use of legalese.

CHAPTER OUTLINE

Each chapter includes the following eight sections:

RCW

This is the relevant reference(s) to the Revised Code of Washington, which is the compilation of all permanent laws now in force in Washington.

Tax base

This section explains what is taxable, or the measure of the tax. This section also includes a link to the [Tax Exemption Study](#) where relevant. The term tax exemption includes a variety of preferences that reduce taxes for taxpayers. Tax exemptions include:

- Exclusions
- Deductions
- Credits
- Deferrals
- Preferential tax rates
- Exemptions

Tax rate

The tax rate is the percentage or dollar amount used to determine the tax owed. Tax due equals the tax rate multiplied by the tax base. A surtax applies to some taxes. A surtax or a surcharge is an additional percentage or dollar amount of tax owed usually for a specific purpose.

Recent collections (\$000)

Collections represent the revenue collected minus any credits and refunds. This document shows collections by state fiscal year (July 1 through June 30) for a ten-year period. Values are in thousands of dollars (\$000). To convert to dollars, multiply the collections by 1,000. For taxes administered by DOR, collections come from the [Tax Statistics](#) publication. For taxes administered by other state agencies, the agency provided the collections. Local tax information may be available from the listed local sources. The percent change represents a simple year-over-year computation.

This section also includes the percent of all state taxes to show the relative magnitude of the tax. Taxes included in this publication may or may not be in the total of “All State Taxes” shown below. For reference, we computed the percentages based on the following totals.

Fiscal Year	All State Taxes (\$000)
2021	\$29,969,619
2020	\$26,834,601
2019	\$25,743,777
2018	\$23,885,196
2017	\$22,043,170
2016	\$20,369,676
2015	\$18,723,684
2014	\$17,783,750
2013	\$17,027,697
2012	\$16,158,504

Distribution of receipts

This section describes the use of the revenues produced by each tax, including any dedicated revenues to specific funds.

Levied by

This section indicates which governmental jurisdictions may impose the tax.

Administration

This section indicates the state or local agency administering the collection of the tax and a brief description of who pays the tax.

History

This section includes a brief explanation of selected historical developments for each tax. This list of events is not comprehensive. The list is in reverse chronological order.

OTHER WASHINGTON TAX INFORMATION

The DOR [Statistics & Reports webpage](#) contains additional information about Washington State's tax system, including statistical reports, data, and interactive data visualizations. Some are referenced throughout this publication, including:

- [Tax Exemption Study](#)
- [Local Tax Reference Guide](#)
- [Property Tax Statistics](#)
- [Tax Statistics](#)
- [History of Washington Taxes](#)

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- Department of Transportation
- Employment Security Department
- Horse Racing Commission
- Liquor and Cannabis Board
- Office of the Insurance Commissioner

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