

WASHINGTON BUSINESS TAX & PREMIUM DATABASE - TAX AND PREMIUM STATISTICS

Office of Financial Management
Employment Security Department
Department of Labor & Industries
Department of Revenue

Questions the Database Can Answer

- What is the government cost of firms doing business in Washington State?
- How has the government cost changed over time?
- How do these costs relate to other costs of doing business?
 - | Wages
 - | Health care insurance
- How do costs compare among different types of firms and different industries?
 - | Size
 - | Major Industry groups
 - | High Tech industries
 - | Out-of-state exports

Questions that Can be Answered After Future Database Expansions

- Which types of firms create the most jobs?
- What is the average survival rate for different types of businesses?
- How do government costs of doing business compare to other costs of doing business ?
 - | Cost of sales
 - | Plant and equipment costs
 - | Utility costs

Elements in the database

One record per firm

DOR Records

- UBI
- NAICS (non-employers)
- Taxes Paid
 - ØUse Tax
 - ØB&O
 - ØPublic Utility Tax
- Gross income

ESD Records

- UBI
- NAICS
- Premiums paid
- Wages
- Employees

L&I Records

- UBI
- Premiums paid

OFM Imputations

- Sales tax paid by firm
- Health Insurance offer status and costs

What's Out?

Individual Employee Records

Other elements added to the database

- ∅ **Estimated sales taxes paid by firm**
- ∅ **Property taxes paid (actual for 7 counties, allocated for others)**
- ∅ **Estimates of self-insured workers compensation costs**

NOTES ON THE CHARTS

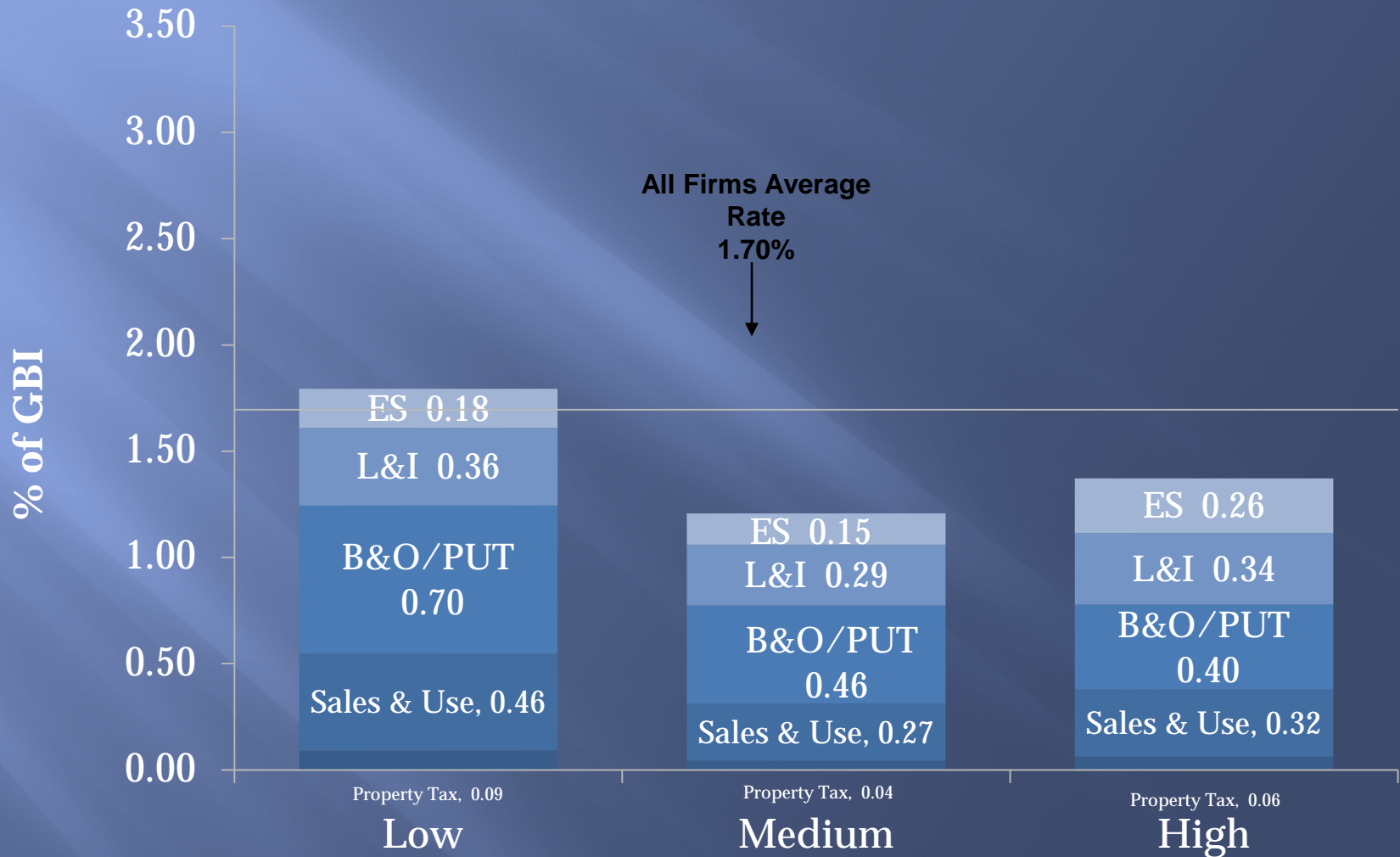
1. **Rates = Taxes & Premiums
Gross Income**
2. **Rates are weighted by gross income.**
3. **Matches only (no sole proprietors)**
4. **Average rate is for all firms in the database**

Notes on L&I Data

- L&I premium amounts for the tax year are prior to retrospective rating premium adjustments. **Retrospective Rating** (Retro) is an optional financial incentive program offered by L&I to help qualifying employers reduce their industrial insurance costs. Employers may receive premium refunds or they may be assessed additional premium based on their performance.
- The net value of retrospective rating refunds is \$102,898,364 in calendar year 2009.
- In some cases the group administration will retain some of these refunds:
 - | To pay for administration expenses of the group program plus profit
 - | To build up a financial cushion used to pay off future unexpected additional premiums owed the department
- In some cases the employer signs up for the program individually and does pocket all of the refund, net of additional assessments.

OUT-OF-STATE EXPORT FIRMS ORDERED BY EXPORT VOLUME

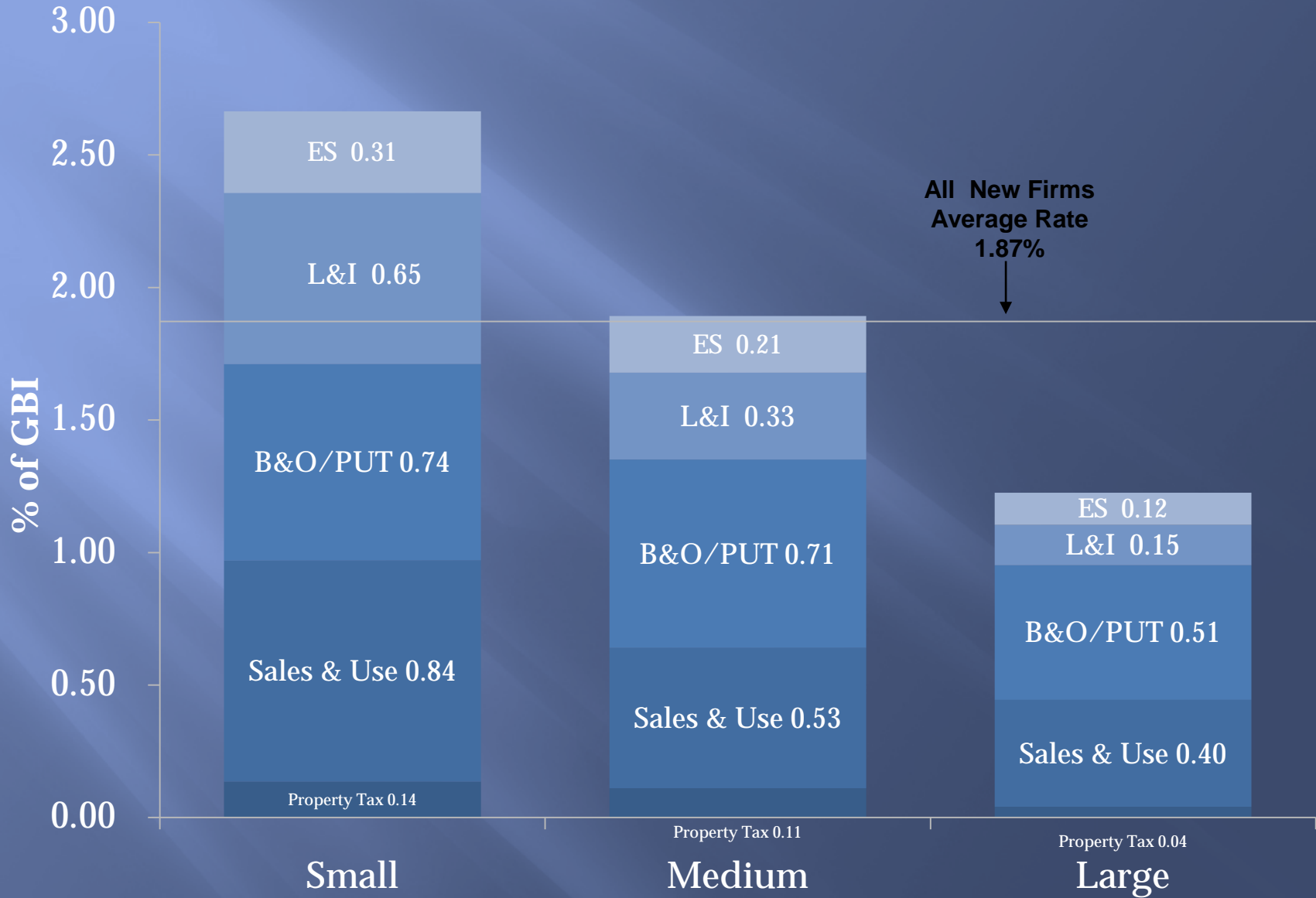
2009 Exports defined by out-of-state deduction/GBI



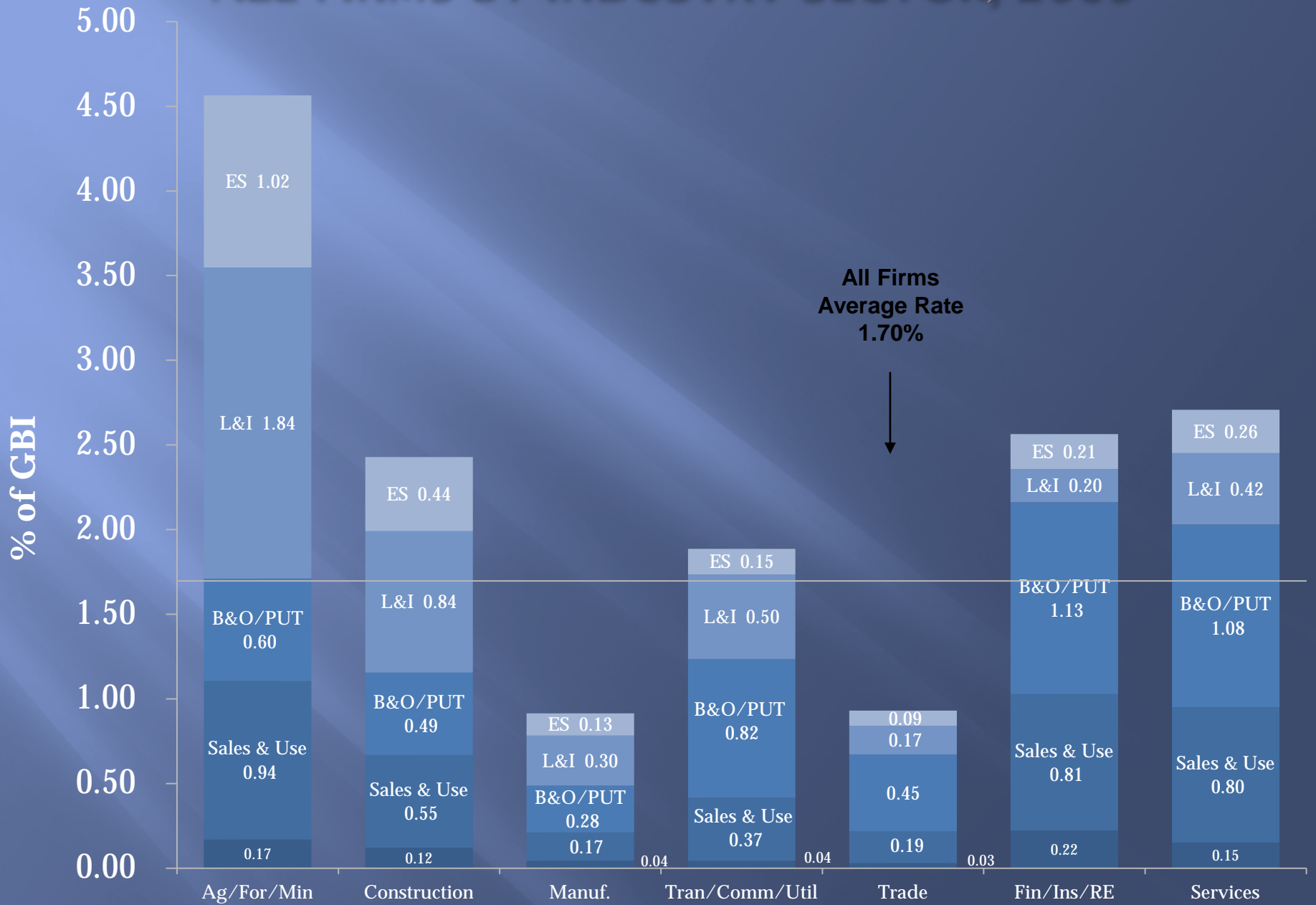
ALL FIRMS ORDERED BY SIZE, 2009



NEW FIRMS ORDERED BY SIZE, 2009

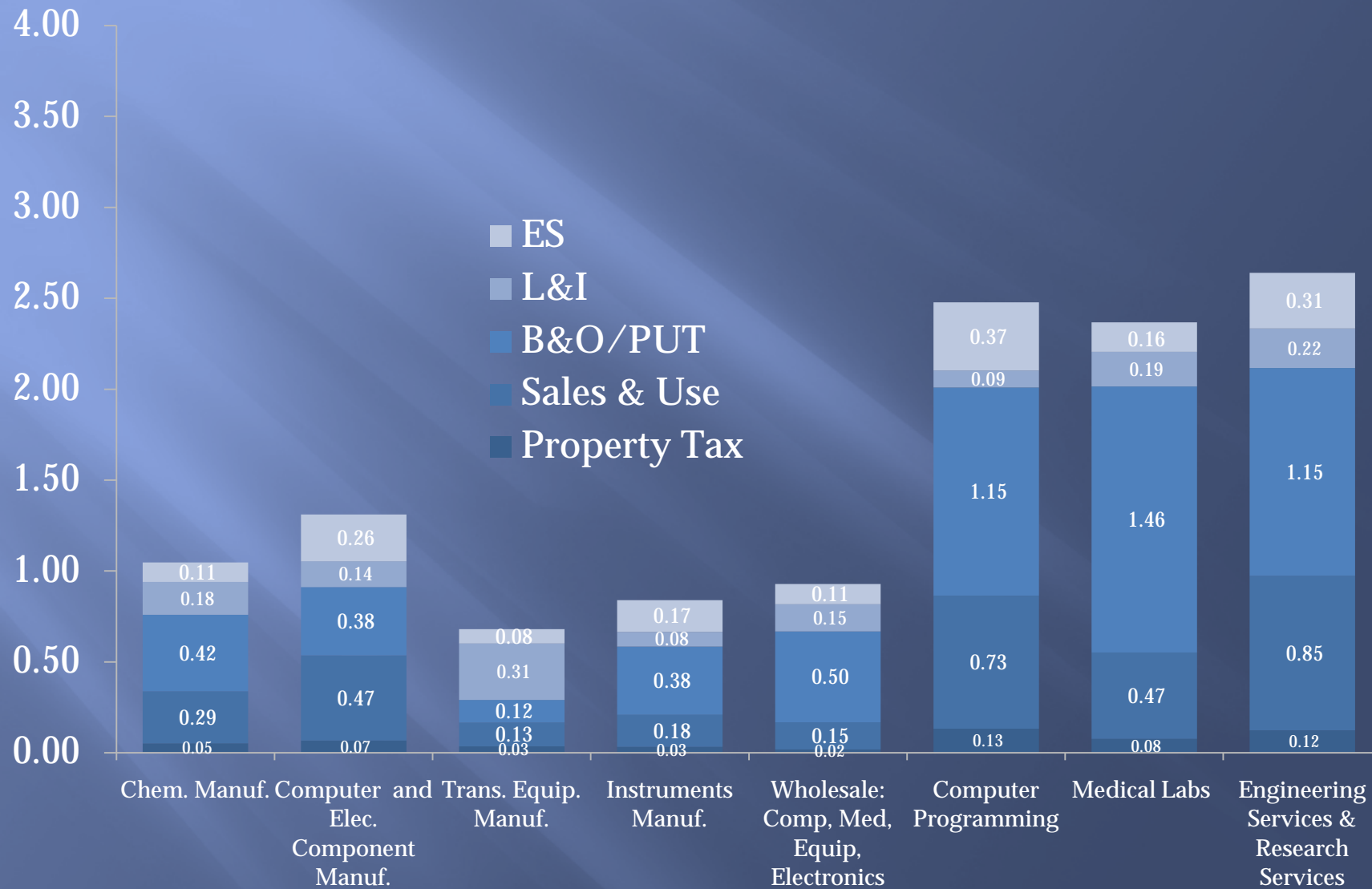


ALL FIRMS BY INDUSTRY SECTOR, 2009



HIGH TECH FIRMS BY INDUSTRY, 2009, as % of GBI

Rate (%)



History of Tax Impacts, All Taxpayers with Employees, as % of GBI

