



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

JULY 23, 2015

Sales Tax Exemption for Investment Casting Process

Effective June 30, 2015, [Engrossed Substitute Senate Bill 6057 Part XII, Chapter 6, Laws of 2015](#), provides a permanent sales and use tax exemption for certain materials and services unique to the investment casting industry.

Exemptions

- Wax and ceramic materials used in investment casting. Sales tax does not apply to the sale of wax and ceramic materials used to create molds consumed during the process of creating ferrous and nonferrous investment castings which are used in industrial applications.
- Labor or services used to create molds from these materials. Sales tax also does not apply to labor or services used to create wax patterns and ceramic shells used as molds and consumed during the process of creating ferrous and nonferrous investment casting that are used for industrial applications.

Investment Casting

Investment casting is a foundry production technique. A mold (or investment) is created through the application of several layers of ceramic material to a wax shell. The ceramic materials are then allowed to dry. The mold is heated through and the wax allowed to drain, leaving a ceramic shell.

Claiming the exemption

The buyer must provide a completed Buyer's Retail Sales Tax Exemption Certificate to the seller to document the exempted nature of the purchase. The buyer should indicate the nature of the exemption by selecting the line reserved for "Wax, ceramic materials, and labor used to create molds...".

Buyer's Sales and Use Tax Preference Addendum

Buyers are also required to complete the Buyer's Sales and Use Tax Preference Addendum in e-file when filing their excise tax returns.

Reporting Instruction for sellers

The seller must document these sales as a deduction under code 99 or "Other". In the space provided for the explanation, enter "Investment casting materials".

Questions?

Visit our website at dor.wa.gov, send an email to dorcommunications@dor.wa.gov, or call the Department's Telephone Information Center 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.