

LOCAL TAX REFERENCE GUIDE

Information on Local Taxes in
Washington State

2024

Taxpayer Account Administration
Debra Conn, Assistant Director

For questions contact:
Brittney May (360) 705-6084



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Local Sales & Use Tax Components

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Local Sales & Use Tax Components

Component Name:	Additional Local Tax - Optional
Revised Code of WA (RCW):	82.14.030(2)
Date Legislation Enacted:	1982
Date Last Modified:	2014
Statutory Expiration Date:	None
Imposed by:	Legislative authority through resolution or ordinance

Description

- Cities and counties may levy an optional sales and use tax rate

Taxing Authorities

- Cities and counties

Tax Base

- This tax applies to retail sales taxable activity under [RCW 82.08](#) and [82.12](#)

Tax Rate

- Up to 0.005

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Distribution is subject to the rules explained in the charts on the next page

Use of funds

- No restrictions in statute

Other Rules

- If both the city and county impose the tax, the total rate collected cannot exceed 0.005. (See RCW [82.14.040](#). (2))
- The rate imposed by a city under RCW [82.14.030\(2\)](#) may be altered by government service agreements as provided in RCW [36.115.040](#) and RCW [36.115.050](#). (See RCW [82.14.032](#))
- The percentage of a city's sales and use tax receipts that a county receives under RCW [82.14.030\(2\)](#) may be altered by government services agreements as provided in RCW [36.115.040](#) and [36.115.050](#). (See RCW [82.14.034](#))
- This subsection (RCW [82.14.030\(2\)](#)) has specific repeal requirements outlined in RCW [82.14.036](#).

Local Sales & Use Tax Components

Who Imposed	Rates	County's Distribution	City's Distribution
County only		County receives 100% of tax	n/a because no tax imposed
County and City	County's tax is greater than City tax	<ul style="list-style-type: none"> 15% of city's tax (determined at city's rate) 100% of taxes imposed in unincorporated areas and cities without tax 100% of tax imposed at rate greater than the rate imposed by the city 	<ul style="list-style-type: none"> 85% of city tax (determined at city's rate) See distribution sample #1
	County's tax equal to City's tax	<ul style="list-style-type: none"> 15% of city tax (determined at city's rate) 100% of taxes in unincorporated areas and cities without tax 	<ul style="list-style-type: none"> 85% of city tax (determined at city's rate)
	County's tax is less than City's tax	<ul style="list-style-type: none"> 15% of city's tax (determined at county's rate) 100% of taxes in unincorporated areas and cities without tax 	<ul style="list-style-type: none"> 85% of city's tax (determined at county's rate) 100% of tax imposed at rate greater than the rate imposed by county See distribution sample #2
City only		n/a because no tax imposed	100% of tax imposed

Distribution Sample #1

		Tax Rate	Collect Rate	Tax Base	Tax Collected	To County	To City
County > City	County	.005	.005	\$10,000	\$50 .005 x \$10k	\$50 (100% of county tax)	\$0
	City	.003	.005 (city must charge county rate)	\$100,000	\$500 .005 x \$100k	\$45 (15% of city tax) (.003 x \$100k) x 15% \$200 (excess amount) (.005 county - .003 city) x \$100k	\$255 (85% of city tax) (.003 x \$100k) x 85%

Distribution Sample #2

		Tax Rate	Collect Rate	Tax Base	Tax Collected	To County	To City
County < City	County	.003	.003	\$10,000	\$30 .003 x \$10k	\$30 (100% of county tax)	\$0
	City	.005	.005	\$100,000	\$500 .005 x \$100k	\$45 (15% of city tax at county rate) (.003 x \$100k) x 15%	\$255 (85% of city tax at county rate) (.003 x \$100k) x 85% \$200 (excess tax) (.005 city - .003 county) x \$100k

Local Sales & Use Tax Components

Component Name:	Additional Local Tax - Regular
Revised Code of WA (RCW):	82.14.030(1)
Date Legislation Enacted:	1970
Date Last Modified:	2014
Statutory Expiration Date:	None
Imposed by:	Resolution or ordinance

Description

- Cities and counties may levy a local sales and use tax rate

Taxing Authorities

- Governing body of cities and counties in Washington State

Tax Base

- This tax applies to retail sales taxable activity under [RCW 82.08](#) and [82.12](#)
- Exception - the tax does not apply to sales of natural or manufactured gas except as for natural gas that is used as a transportation fuel. RCW 82.14.230.

Tax Rate

- The tax rate must be imposed at .005 for counties
- Cities can levy a rate of up to .005, but if the county in which the city resides imposes the tax, the city's rate cannot exceed .00425

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- If only a county imposes the tax:
 - The county receives 100% of tax
- If a city imposes the tax within a county that *also* imposes the tax:
 - The city receives the full amount of the tax levied in incorporated areas
 - The county receives the amount generated from the county rate in excess of the rate also imposed by the cities and 100% of tax from cities that do not impose the tax.
 - Example: if a county imposes the tax at a rate of .005 and a city imposes the tax at .00425, the county receives the amount generated based on a tax rate of .00075 (.005-.00425) within the cities that impose the tax
- If a city imposes the tax within a county that *does not* impose the tax
 - The city receives 100% of tax

Local Sales & Use Tax Components

Line Code(s)

- Sales Tax = 45
- Use Tax = 46

Use of funds

- No restrictions in statute

Other Rules

- If both the city and county impose the tax, the total rate collected cannot exceed 0.005. (See RCW [82.14.040](#)(1))
- The rate imposed by a city under RCW [82.14.030](#)(1) may be altered by government service agreements as provided in RCW [36.115.040](#) and [36.115.050](#). (See RCW [82.14.032](#))
- The percentage of a city's sales and use tax receipts that a county receives under RCW [82.14.030](#)(1) may be altered by government services agreements as provided in RCW [36.115.040](#) and [36.115.050](#). (See RCW [82.14.034](#))

Other Information

- As of October 1, 2012, all counties impose the tax

Local Sales & Use Tax Components

Component Name:	Criminal Justice
Revised Code of WA (RCW):	82.14.340
Date Legislation Enacted:	1990
Date Last Modified:	2021
Statutory Expiration Date:	None
Imposed by:	Legislative authority through resolution or ordinance – subject to repeal by referendum

Description

- Counties may levy a sales and use tax to fund criminal justice purposes

Taxing Authorities

- Counties

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- 0.001

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- County receives 10%
- The remaining 90% is distributed to the county and cities within the county based on population.
 - The Office of Financial Management determines the population. The State Treasurer distributes the funds based on the population counts

Line Code(s)

- Sales Tax = 85
- Use Tax = 86

Use of funds

- For costs associated with criminal justice purposes. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW [70.123.020](#)

Local Sales & Use Tax Components

- From May 13, 2021 through December 31, 2023, criminal justice purposes include local government programs which have a reasonable relationship to reducing the numbers of people interacting with the criminal justice system including, but not limited to, reducing homelessness or improving behavioral health
- In the expenditure of funds for criminal justice purposes, cities and counties are authorized to participate in agreements, pursuant to chapter [39.34](#) RCW, to jointly expend funds for criminal justice purposes of mutual benefit. Criminal justice purposes of mutual benefit include, but are not limited to, the construction, improvement, and expansion of jails, court facilities, juvenile justice facilities, and services with ancillary benefits to the civil justice system

Local Sales & Use Tax Components

Component Name:	Cultural Access Program (CAP)
Revised Code of WA (RCW):	82.14.525
Date Legislation Enacted:	2015
Date Last Modified:	2023
Statutory Expiration Date:	None. The tax authorization lasts no longer than 7 years.
Imposed by:	Counties or cities by ordinance and optional voter approval

Description

- Cities and counties may levy a sales and use tax to fund cultural access programs.

Taxing Authorities

- Cities – cities can impose if the county has not imposed prior to December 31, 2024. A county, and a city within that county may not concurrently impose the tax
- Counties – counties may authorize a CAP or enter into an interlocal agreement with a group of contiguous counties to create a CAP (RCW 36.160.030)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.001

Fiscal Year Cap

- Not Applicable

Administration Fee

- The department must administer the tax at no cost to cities or counties.

Distribution

- Taxing authority receives 100%

Line Code(s)

- 355/356

Use of funds

- To fund costs associated with cultural access programs.
 - Specific allocation of funds is determined by whether the cultural access program is located in a county with greater than or less than 1.5 million people.

Other Information

- Sales and use tax, and the property tax authorized for counties less than 1.5 million to fund CAP cannot be imposed concurrently.

Local Sales & Use Tax Components

Component Name:	Distressed Public Facilities Districts (PFD): Anchor Jurisdictions
Revised Code of WA (RCW):	82.14.048
Date Legislation Enacted:	1991
Date Last Modified:	2023
Statutory Expiration Date:	None. The tax imposed by an anchor jurisdiction expires 30 years after the date of imposition.
Imposed by:	Legislative authority for taxes imposed by an anchor jurisdiction

Description

- An anchor jurisdiction within a distressed PFD may levy a sales and use tax to fund costs associated with public facilities in the district

Taxing Authorities

- Anchor jurisdictions

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.002 for anchor jurisdictions

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 387
- Use Tax = 388

Use of funds

- Anchor jurisdiction must use the money to fund costs associated with the financing, refinancing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping of the public facilities, transportation improvements directly associated with facilitating motor vehicle and pedestrian access to its public facilities, and for all litigation, investigation, and related costs and expenses incurred by the anchor jurisdiction toward resolving matters related to the defaults of the distressed public facilities district

Local Sales & Use Tax Components

Other Information

- As of October 1, 2012, only the City of Wenatchee qualifies as an anchor jurisdiction

Local Sales & Use Tax Components

Component Name: Emergency Communication
Revised Code of WA (RCW): [82.14.420](#)
Date Legislation Enacted: 2002
Date Last Modified: 2021
Statutory Expiration Date: None
Imposed by: Voter Approval

Description

- Counties may levy a sales and use tax to fund costs associated with emergency communication systems and facilities

Taxing Authorities

- Counties

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to .002

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 75
- Use Tax = 76

Use of funds

- For costs associated with financing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, and improvement of emergency communication systems and facilities

Other Rules

- Prior to submitting the tax to voters, a county with a population more than 500,000 but less than 1,500,000, in which any city with a population over 50,000 operates emergency communication system and facilities, must enter into an inter-local agreement with the city to determine distribution of revenue within timeframes specified in RCW [82.14.420\(7\)](#)

Local Sales & Use Tax Components

- Prior to submitting the tax to voters, a county with a population more than 1,500,000 in which any city over with a population over 50,000 operates emergency communication system and facilities either independently or as a member of a regional communication agency, must enter into an inter-local agreement with the city to determine distribution of revenue within timeframes specified in RCW [82.14.420](#)(6)
- If a county and city fail to enter into an interlocal agreement as required within the time frames provided in RCW [82.14.420](#), the city or county may seek equitable apportionment of the tax in the county's superior court. Such equitable apportionment must be provided retroactively beginning from the later of (i) the date when the county and city met the population thresholds specified in the law or (ii) July 25, 2021
- If a county provides emergency communication services to a governmental agency pursuant to a contract, the parties to the contract must review and negotiate the terms prior to submitting the tax authorization to voters
- Counties are authorized to develop joint ventures to collocate emergency communications and facilities

Local Sales & Use Tax Components

Component Name:	Housing and Related Services
Revised Code of WA (RCW):	82.14.530
Date Legislation Enacted:	2015
Date Last Modified:	2021
Statutory Expiration Date:	None
Imposed by:	Voter approval, or by legislative authority through resolution and ordinance

Description

- Cities and counties may levy a sales and use tax to fund costs associated with housing and related services

Taxing Authorities

- Cities - Must wait until after September 30, 2020, before imposing the tax
- Counties

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.001
 - Combined rate of city and county cannot exceed 0.001

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 364
- Use Tax = 365

Use of funds

- For costs associated with housing and related services including constructing or acquiring affordable housing, which may include emergency, transitional, and supportive housing, and facilities providing housing-related services, or acquiring land for these purposes
- For costs associated with constructing or acquiring behavioral health-related facilities, or acquiring land for these purposes
- Funding the operations and maintenance of affordable housing and facilities where housing-related programs are provided
- A county with a population greater than one million five hundred thousand must plan to spend at least 30% of the money collected which are attributable to taxable activities within any city with a population greater than sixty thousand within that city's boundaries

Local Sales & Use Tax Components

Other Rules

- This tax is excluded when calculating the lodging cap under RCW [82.14.410](#) (2)(c)

Local Sales & Use Tax Components

Component Name: Juvenile Detention Facilities and Jails
Revised Code of WA (RCW): [82.14.350](#)
Date Legislation Enacted: 1995
Date Last Modified: N/A
Statutory Expiration Date: None
Imposed by: Voter Approval

Description

- Counties may levy a sales and use tax to fund juvenile detention facilities and jails

Taxing Authorities

- Counties with a population less than 1 million

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- 0.001

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 91
- Use Tax = 92

Use of funds

- For costs associated with financing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, and improvement of juvenile detention facilities and jails

Other Rules

- Counties are authorized to develop joint ventures to co-locate juvenile detention facilities and to co-locate jails

Local Sales & Use Tax Components

Component Name:	Baseball Stadium Tax on Food/Beverage
Revised Code of WA (RCW):	82.14.360 (excluding section 2, Rental Cars)
Date Legislation Enacted:	1995
Date Last Modified:	2008
Statutory Expiration Date:	None. The tax imposed expires the earlier of: <ul style="list-style-type: none">• The bonds issued for the construction, remodel, repair, or equipping of the baseball stadium or• 20 years after the taxes are first collected.
Imposed by:	Legislative authority through resolution or ordinance

Description

- Counties with a population greater than 1 million may levy a sales and use tax to fund a baseball stadium as defined in RCW [82.14.0485](#)

Taxing Authorities

- Any county with a population over one million

Tax Base

- This tax applies to the sale of food and beverages taxable under [chapter 82.08](#) and [82.12](#) RCW, sold by restaurants, taverns and bars in a county with a population over one million

Tax Rate

- Up to 0.005

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- 100% to the taxing authority

Line Code(s)

- 90

Use of funds

- Revenue must be used for the purpose of principal and interest payments on bonds, issued by the county, to acquire, construct, own, remodel, maintain, equip, reequip, repair, and operate a baseball stadium. Revenues from the taxes authorized this statute may be used for design and other preconstruction costs of the baseball stadium until bonds are issued for the baseball stadium

Local Sales & Use Tax Components

Other Information

- As of October 1, 2012 King County is the only county that qualifies
- While the bonds issued for the baseball stadium in King County expired October 1, 2011, King County continues to receive funds collected for tax return periods prior to the expiration
- If the revenue from the taxes exceeds the amount needed for principal and interest payments in any year the excess is to be used solely for:
 - Early retirement of the bonds issued for the baseball stadium
 - And, if revenue exceeds the amount needed for early retirement of the bonds in any year, the excess amount shall be placed in a contingency fund to be used for unanticipated capital costs on the baseball stadium, excluding any cost overruns on initial construction

Local Sales & Use Tax Components

Component Name:	Mental Health
Revised Code of WA (RCW):	82.14.460
Date Legislation Enacted:	2005
Date Last Modified:	2023
Statutory Expiration Date:	None
Imposed by:	Legislative authority through resolution or ordinance

Description

- Cities or counties may levy a sales and use tax to fund costs associated with chemical dependency or mental health treatment programs or services

Taxing Authorities

- Cities with a population over 30,000 located in a county with a population over 800,000
- Counties

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- 0.001

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%
- A county must provide a credit against its tax for the full amount of tax imposed by any city located in that county if the county imposes the tax after January 1, 2011

Line Code(s)

- City
 - Sales Tax = 351
 - Use Tax = 352
- County
 - Sales Tax = 151
 - Use Tax = 152

Local Sales & Use Tax Components

Use of funds

- For costs associated with chemical dependency or mental health treatment programs or services and for the operation or delivery of therapeutic court programs and services
- Moneys collected by cities and counties may also be used for modifications to existing facilities to address health and safety needs necessary for the provision, operation, or delivery of chemical dependency or mental health treatment programs or services
- All funds must be used for the purpose of providing new or expanded programs and services
 - Exception: From 2011 – 2016 a percentage of funds from tax can be used to replace existing funds depending upon county population counts. (See section 4)
- Moneys collected under this section can also be used to replace lapsed federal funding
- Moneys collected may also be used to support the cost of the judicial officer and support staff of a therapeutic court

Other Information

- As of July 1, 2024, only cities within Pierce County qualify for this tax

Local Sales & Use Tax Components

Component Name: Passenger Only Ferry District
Revised Code of WA (RCW): [82.14.445](#)
Date Legislation Enacted: 2015
Date Last Modified: N/A
Statutory Expiration Date: None
Imposed by: Voter Approval

Description

- A Passenger-only Ferry District (POFD) may levy a sales and use tax to fund passenger-only ferry service

Taxing Authorities

- Passenger-only Ferry District (POFD)
 - A qualifying POFD must have been formed by a Public Transportation Benefit Area (PTBA) located in a county that only borders the western side of the Puget Sound with a population of more than 200,000 and contains one or more Washington state ferry terminals

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.003

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected

Distribution

- Taxing authority receives 100%

Line Code(s)

- Not Applicable - this tax has not been imposed

Use of funds

- For costs associated with providing passenger-only ferry service

Other Rules

- Not Applicable

Local Sales & Use Tax Components

Component Name: Passenger Only Ferry Service
Revised Code of WA (RCW): [82.14.440](#)
Date Legislation Enacted: 2003
Date Last Modified: N/A
Statutory Expiration Date: None
Imposed by: Voter Approval

Description

- A Public Transportation Benefit Area (PTBA) may levy a sales and use tax to fund passenger only ferry service

Taxing Authorities

- PTBAs whose boundaries are on the Puget Sound where a RTA has not been formed

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.004

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 437
- Use Tax = 438

Use of funds

- For costs associated with providing passenger only ferry service

Other Rules

- Not Applicable

Local Sales & Use Tax Components

Component Name:	Public Facilities District (PFD)
Revised Code of WA (RCW):	82.14.048
Date Legislation Enacted:	1991
Date Last Modified:	2023
Statutory Expiration Date:	None
Imposed by:	Voter Approval

Description

- A PFD may levy a sales and use tax to fund costs associated with public facilities in the district

Taxing Authorities

- Governing board of a PFD (chapters [35.57](#) & [36.100](#) RCW)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- A public facilities district formed under RCW [35.57.010](#)(1)(e) may not impose the tax at a rate that exceeds 0.002 minus the rate of the highest tax imposed by any other PFDs within its boundaries
- A public facilities district formed under RCW [35.57.010](#)(1)(f) may impose the tax at a rate of 0.002 regardless of the rate imposed by any other PFDs within its boundaries

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 87
- Use Tax = 88

Use of funds

- Revenue must be used for the purpose of providing funds for the costs associated with the financing, refinancing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, and transportation improvements directly associated with facilitating motor vehicle or pedestrian access of its public facilities

Local Sales & Use Tax Components

Other Rules

- If a PFD, formed under RCW [35.57.010](#)(1)(e), imposed a tax under this section and incurred or issued obligations pledging the tax, no other PFD within its boundaries can impose a tax under this section at a rate that would reduce the rate of the tax that was pledged to repay the obligations, if obligations are still outstanding

Other Information

- As of April 1, 2014, the Spokane PFD, Greater Wenatchee PFD, and Asotin PFD have imposed the tax

Local Sales & Use Tax Components

Component Name:	Public Safety
Revised Code of WA (RCW):	82.14.450
Date Legislation Enacted:	2003
Date Last Modified:	2021
Statutory Expiration Date:	None
Imposed by:	Voter approval

Description

- Cities or counties may levy a sales and use tax to fund criminal justice purposes and/or fire protection purposes

Taxing Authorities

- Cities – but only after January 1, 2011
- Counties

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW
- Except for:
 - The sale or use of a motor vehicle (see section on rental cars), or;
 - The first 36 months of a lease of a motor vehicle

Tax Rate

- County: up to 0.003
- City: up to 0.001
- Combined rate may not effectively exceed 0.003:
 - If a county, first or on same date, imposes tax then the city may not impose the tax at a rate that would cause the combined rate to exceed .003 (and city's own rate cannot exceed .001). Examples:
 - County imposes at .003: city cannot impose tax
 - County imposes at .0025: city can impose tax of .0005
 - County imposes at .001: city can impose tax of .001 (combined rate is .002)
 - If a city first imposes tax, then county that contains the city may still impose up to .003 but must provide a credit equal to the amount of tax imposed by the city (so the effective rate charged does not exceed .003). Example:
 - City imposes at .001: county can impose tax of .003 but must give the city a credit of .001 against its tax so that rate charged is .003

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Local Sales & Use Tax Components

Distribution

- Subject to the rules in the following chart:

Who Imposed	County's Distribution	City's Distribution (distributed to all cities in the county on a per capita basis)
County only	60% of county tax	40% of county tax*
County and City	60% of county tax 15% of city tax	40% of county tax * 85% of city tax
City only	15% of city tax	85% of city tax

*A city in the county will not get the full 40% - the tax must be distributed on a per capita basis

Line Code(s)

- County
 - Sales Tax = 131
 - Use Tax = 132
- City
 - Sales Tax = 331
 - Use Tax = 332

Use of funds

- 1/3 of funds must be used solely for costs associated with criminal justice purposes (as defined in RCW [82.14.340](#)) or fire protection
- From May 13, 2021, through December 31, 2023, criminal justice purposes include local government programs which have a reasonable relationship to reducing the numbers of people interacting with the criminal justice system including, but not limited to, reducing homelessness or improving behavioral health

Other Rules

- Prior to January 1, 2011, only counties could impose the tax
- Due to the motor vehicle exemption this tax requires the use of MVET location codes

Local Sales & Use Tax Components

Component Name:	Regional Transit Authority (RTA) Sales Tax
Revised Code of WA (RCW):	81.104.170
Date Legislation Enacted:	1990
Date Last Modified:	2019
Statutory Expiration Date:	None
Imposed by:	Voter Approval

Description

- The taxing authorities listed below may levy a sales and use tax to fund high capacity transportation service

Taxing Authorities

- Cities operating transit systems
- County Transportation Authorities
- Metropolitan Municipal Corporations
- Public Transportation Benefit Areas (PTBAs)
- High Capacity Transportation Corridor Areas
- Regional Transit Authorities (RTAs)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.01
- Up to .014 if the RTA is located in a county with a population of more than 1.5 million
or
- Up to .009 if either of the following:
 - A county with criminal justice tax imposed (RCW [82.14.340](#))
 - A RTA that has, within its boundaries, a county with criminal justice tax imposed (RCW [82.14.340](#))

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily may be up to 2% of the taxes collected
- As of October 1, 2012, RTA and DOR have contracted to the following fee schedule:
 - Fiscal Year 2011 1,420,383 (administration fee for 2011 covers both sales tax and rental car distribution)
 - Fiscal Year 2012 (starting 7.1.11) – 0.6% applied to 4/9ths of RTA tax distributions (.002667)
 - Fiscal Year 2013 through FY 2025 – 0.7% applies to 4/9ths of RTA tax distributions (.003111)
 - Fiscal Year 2026 forward – 0.7% applies to 100% of RTA tax distributions

Distribution

- Taxing authority receives 100%

Local Sales & Use Tax Components

Line Code(s)

- Sales Tax = 89
- Use Tax = 89

Use of funds

- For costs associated with providing high capacity transportation services

Other Rules

- RCW [81.104.180](#) allows the funds to be used to retire bonds – “authorized to pledge revenues...from the sale and use taxes authorized under this section (RCW [81.104.170](#)), to retire bonds issued solely for purpose of providing high capacity transportation service”
- RCW [81.104.190](#) allows the authority to contract with the state Department of Revenue or other appropriate entities for administration and collection of any tax authorized under this section (RCW [81.104.170](#))

Other Information

- As of October 1, 2012, only Sound Transit (RTA) has imposed this tax

Local Sales & Use Tax Components

Component Name: Transit
Revised Code of WA (RCW): [82.14.045](#)
Date Legislation Enacted: 1971
Date Last Modified: 2018
Statutory Expiration Date: None
Imposed by: Voter Approval

Description

- The taxing authorities listed below may levy a sales and use tax to fund public transportation systems

Taxing Authorities

- Cities (RCW [35.92.060](#))
- Counties with an unincorporated transportation benefit area established under RCW [36.57.100](#) & RCW [36.57.110](#)
- Public Transportation Benefit Areas (PTBAs) (RCW [36.57A.080](#) & [36.57A.090](#))
- County Transportation Authorities (chapter [36.57](#) RCW)
- Metropolitan Municipal Corporations (MMCs) within a county with a population of one million or more (chapter [35.58](#) RCW)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Min. of .001
- Up to .009
 - Exception: A PTBA located in a county with a population of 700,000 or more that also contains a city with a population of 75,000 or more operating a transit system pursuant to chapter 35.95 RCW or the legislative body of a public transportation benefit area located in a county with a population of more than 250,000 but fewer than 400,000 that also contains two or more cities with a population of 40,000 or more may levy an additional .001, .002, or .003 in addition to the .009 if approved by the majority of the voters
- Must be imposed in increments of .001

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

Local Sales & Use Tax Components

- Sales Tax = 37
- Use Tax = 38

Use of funds

- For costs associated with public transportation system or public transportation limited to people with special needs

Other Rules

- If a Metropolitan Municipal Corporation imposes the tax, none of the following taxing authorities wholly within a MMC can impose this tax or the tax authorized under RCW [35.95.040](#):
 - Cities
 - A county which has created an Unincorporated Transportation Benefit Area
 - Public Transportation Benefit Area Authority
 - County Transportation Authority
- If a County Transportation Authority imposes the tax, none of the following taxing authorities located within the territory of the authority can impose the tax or the tax authorized under RCW [35.95.040](#):
 - Cities
 - A county which has created an Unincorporated Transportation Benefit Area
 - Public Transportation Benefit Area
 - Metropolitan Municipal Corporation
- If a Public Transportation Benefit Area imposes this tax, none of the following taxing authorities wholly or partly within the territory of a PTBA can also impose the tax or the tax authorized under RCW [35.95.040](#):
 - Cities
 - A county which has created an Unincorporated Transportation Benefit Area
 - Metropolitan Municipal Corporation located

Other Information

- ITA asked the AG's office who was responsible for ensuring the taxing areas do not overlap- resulting in duplicate taxation. Response from AG's office was:
 - *I believe it is the primary responsibility of the taxing authority imposing the local sales and use tax to make certain that it is not imposing a tax at a rate in excess of the applicable limits contained in the statutes authorizing the local taxes. RCW [82.14.060](#)(2) states that if any ordinance or resolution imposes such a tax in excess of the applicable limits, the ordinance or resolution shall be considered void with respect to that portion of the rate which is in excess of the limits. The State Auditor, as part of its periodic compliance audits, should also attempt to assist these taxing authorities to uncover any violations of these limits. Likewise, the Department of Revenue, as part of its administration of the local sales and use tax statutes under RCW [82.14.050](#), should make an effort to periodically monitor whether these taxing authorities are complying with the applicable limits on their taxing authority. However, the local authorities themselves are responsible for complying with these laws, just as they are responsible for complying with any other applicable laws. They are responsible for paying any refunds of local taxes they impose at an unlawful rate.*

Local Sales & Use Tax Components

Component Name: Transportation Benefit District (TBD)
Revised Code of WA (RCW): [82.14.0455](#)
Date Legislation Enacted: 2005
Date Last Modified: 2022
Statutory Expiration Date: None. The tax may not be imposed for a period exceeding 10 years without an additional vote of the people; unless:

- The tax was imposed after July 1, 2010, and
- It is dedicated for the repayment of bond indebtedness

The governing board of the district, by majority vote, may only fix, impose, or extend a sales and use tax of up to one-tenth of one percent of the selling price

Imposed by: Voter Approval

Description

- A TBD may levy a sales and use tax to fund transportation improvements (RCW [36.73](#))

Taxing Authorities

- TBDs (chapter [36.73](#) RCW)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.003

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 137
- Use Tax = 138

Use of funds

- For costs associated with transportation improvements as outlined in RCW [36.73.020](#)

Local Sales & Use Tax Components

Other Rules

- RCW [36.73.170](#) also provides that the taxes imposed will cease when financing or debt service is completed and paid and notice sent to the department

Local Sales & Use Tax Components

Component Name:	Zoo & Aquarium
Revised Code of WA (RCW):	82.14.400
Date Legislation Enacted:	1999
Date Last Modified:	2020
Statutory Expiration Date:	None
Imposed by:	Voter Approval

Description

- Counties may levy a sales and use tax to fund costs associated with a zoo, aquarium, or wild life preservation, and parks

Taxing Authorities

- A county with a national park and a population of more than five hundred thousand and less than 1.5 million by joint request with metropolitan park district and a city with a population of more than one hundred fifty thousand

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.001

Fiscal Year Cap

- Not Applicable

Administration Fee

- There is no authority for DOR to impose an administration fee

Distribution

- If the joint request does not allocate any funds to the national parks within the county, 100% of the funds are to be distributed to the taxing authorities.
- If the joint request allocates funds to national parks in the county:
 - 50% goes to zoo and aquarium advisory authority
 - 50% goes to incorporated and unincorporated areas of the county on per capita basis for costs related to parks with a breakdown as follows:
 - To the metropolitan park district
 - To cities and towns not within a metropolitan park district
 - Remainder to the county. County must distribute according to a process that considers needs of unincorporated areas of the county in consultation with community advisory councils. The funding cannot be used to replace or supplant existing per capita funding.*
- In lieu of the administration fee imposed under RCW [82.14.050](#), one-half of the maximum percentage provided for in RCW [82.14.050](#) will be allocated to the Department of Commerce (DOC) to be used to provide, operate and maintain community-based housing under chapter [43.185](#) RCW for persons who are mentally ill. This distribution to DOC expires twelve years from the first date of the distribution of park funds.

Local Sales & Use Tax Components

Line Code(s)

- Sales Tax = 95
- Use Tax = 96

Use of funds

- Costs associated with financing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, or improvement of zoo, aquarium, and wildlife preservation and display facilities that are currently accredited by the American zoo and aquarium association
- Costs related to national parks located within the county (if so allocated in the joint request).

Other Rules

- By December 31, 2005, the county or any city in the county with a population greater than 80,000 must provide at least one dollar match for every two received from this tax

Other Information

- As of October 1, 2012, Pierce County is the only qualifying county

*Properties subject to agreement between federal bureau of land management, advisory council on historic preservation and Washington state historic preservation officer have priority for use of funding under subsection (6)(b) of the statute (the per capita funding)

Local Sales & Use Tax Components

Component Name:	Affordable and Supportive Housing Tax (State Shared)
Revised Code of WA (RCW):	82.14.540
Date Legislation Enacted:	2019
Date Last Modified:	2024
Statutory Expiration Date:	None. The tax expires 20 years after first imposed
Imposed by:	Legislative authority through resolution and ordinance

Description

- Cities and counties may impose a tax for costs associated with affordable and supportive housing. The housing and services provided may only be provided to persons whose income is at or below 60 percent of the median income of the county or city imposing the tax, or at or below 80 percent of the median income of the county or city imposing the tax if it is supporting the development of affordable housing intended for owner occupancy, as defined in RCW 84.14.010.

Taxing Authorities

- Cities
- Counties

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rates

First Year – 7/28/2019-7/28/2020

- .0073% for
 - Participating city without a qualifying local tax
 - Participating county within a participating city without a qualifying local tax
 - Participating county within any non-participating city
- .0146% for
 - Participating city with a qualifying local tax
 - Participating county within the unincorporated areas of the county
 - Participating city where the county declares they will not impose this tax
 - Participating county where the city declares they will not impose this tax

Second Year and After – 7/29/2020 and After

- .0073% for
 - Participating city located within a participating county if that city is without a qualifying local tax
 - Participating county within a participating city without a qualifying local tax
- .0146% for
 - Participating city with a qualifying local tax
 - Participating county within the unincorporated areas of the county
 - Participating county within any non participating cities
- Taxes imposed do not increase a jurisdiction’s sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected or paid to the department under [RCW 82.08](#) and [82.12](#)
- A county may not impose the tax within the limits of a participating city that levies a qualifying local tax

Local Sales & Use Tax Components

Fiscal Year Distribution Caps

- The tax must cease to be distributed for the remainder of any fiscal year in which the amount of tax exceeds the maximum amount (cap)
- The cap is calculated by the department no later than December 31, 2019, or within 30 days of a city or county authorizing this tax
- The cap calculation for a county is calculated by adding the following:
 - Fiscal Year 2019 taxable retail sales within the unincorporated area of the county multiplied by the rate of .0146%
 - Fiscal Year 2019 taxable retail sales within any city within the county that has declared they will not impose this tax multiplied by the rate of .0146%
 - Fiscal Year 2019 taxable retail sales within any city within the county that has not imposed this tax multiplied by the rate of .0073%
 - Fiscal Year 2019 taxable retail sales within any city in the county that has already imposed this tax is not used in the cap calculation
- The cap calculation for the city is as follows:
 - Fiscal Year 2019 taxable retail sales within the city multiplied by the rate imposed (.0073% or .0146%)

Administration Fee

- None

Distribution

- 100% to the taxing authority
- The department must remit any excess state tax revenues to the state treasurer for deposit into the general fund

Line Code(s)

- 653

Use of funds

- Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services under RCW [71.24.385](#)
- Funding the operations and maintenance costs of new units of affordable and supportive housing
- Prior to July 23, 2023, only counties with a population of four hundred thousand or less or cities with a population of one hundred thousand or less may use the revenue to provide rental assistance to tenants.
- Beginning July 23, 2023, all imposing jurisdictions may use the revenue for rental assistance.
- Administrative costs of the county or city associated with administering this tax may not exceed 10 percent of the annual tax distributed to the jurisdiction.

Other Rules

- Tax cannot not be imposed before September 1, 2019
- There is an annual reporting requirement to the Department of Commerce for jurisdictions imposing the tax

Local Sales & Use Tax Components

Component Name:	Annexation Tax (State Shared)
Revised Code of WA (RCW):	82.14.415
Date Legislation Enacted:	2006
Date Last Modified:	2023
Statutory Expiration Date:	None. The tax expires 10 years after first imposed
Imposed by:	Legislative authority through resolution or ordinance

Description

- Cities may impose a tax to finance municipal services within an annexed area consistent with its comprehensive plan (required by chapter 36.70A RCW).

Taxing Authorities

- Any city where:
 - The city commences annexation of an area with a population of at least 2,000 people
 - The city's legislative authority determines (by ordinance or resolution) that the projected cost to provide municipal services to the annexation area exceeds the projected general revenue that the city would receive from the annexed area on an annual basis; and
 - The city, as provided in RCW 35A.14.472, 35A.14.296, or 20 35.13.470, has entered into an interlocal agreement with the county regarding the proposed annexation area.

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- **General Rates** (RCW [82.14.415](#)(3)(a) and (b)):
 - Up to 0.001 if the annex area has a population greater than 2,000 but less than 10,000
 - Up to 0.002 if the annex area has a population greater than 10,000

Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected and remitted (or paid in the case of use tax) to the department under [chapter 82.08](#) and [82.12](#) RCW

Rate Caps

- The maximum cumulative **general** rate is .002

Fiscal Year Cap

- Difference between costs to provide services to the annexed area less revenue from that area (this is the "threshold amount" – the city provides these figures to DOR on an annual basis)
- Cap is recalculated each year

Administration Fee

- None

Local Sales & Use Tax Components

Distribution

- 100% to the taxing authority up to the threshold or cap amount. Excess goes to the State.

Line Code(s)

- 113

Use of funds

- Funds must be used solely to provide, maintain, and operate municipal services for the annexation area

Other Rules

- Tax cannot not be imposed by a city before July 1, 2023, or after July 1, 2028.
- There is an annual reporting requirement for jurisdictions imposing the tax (due March 1st). Jurisdictions must provide:
 - A new threshold amount for the next fiscal year
 - Actual costs to provide municipal services to the annex area from previous year
 - Any applicable rate changes
- Can only be imposed beginning July 1st of each year
- The resident population of the annex area must be determined in accordance with chapter [35.13](#) RCW or chapter [35A.14](#) RCW
- The city, as provided in RCW 35A.14.472, 35A.14.296, or 20 35.13.470, has entered into an interlocal agreement with the county regarding the proposed annexation area.

Local Sales & Use Tax Components

Component Name: Health Sciences and Services Authorities (HSSA) (State Shared)
Revised Code of WA (RCW): [82.14.480](#)
Date Legislation Enacted: 2007
Date Last Modified: 2019
Statutory Expiration Date: January 1, 2038
Imposed by: Legislative authority through resolution or ordinance

Description

- Local authorities that have created a HSSA may impose a sales and use tax to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health or to finance and retire indebtedness per RCW [35.104.07](#)

Taxing Authorities

- Local jurisdictions that have created a HSSA under RCW [35.104.030](#) prior to January 1, 2010

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.0002
- Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected or paid over to DOR under [RCW 82.08](#) and [82.12](#)

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- 100% to the taxing authority

Line Code(s)

- 114

Use of funds

- For costs to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health or to finance and retire indebtedness per RCW [35.104.070](#)

Other Rules

- Not Applicable

Other Information

- As of October 1, 2012 only Spokane County has created a HSSA

Local Sales & Use Tax Components

Component Name:	Hospital Benefit Zone (HBZ) (State Shared)
Revised Code of WA (RCW):	82.14.465
Date Legislation Enacted:	2006
Date Last Modified:	2011
Statutory Expiration Date:	None. The tax imposed expires the earlier of: <ul style="list-style-type: none">• Revenues no longer used or needed for public improvements and related costs• Bonds issued to finance or refinance the improvements are retired• 30 years after the tax is first imposed
Imposed by:	Legislative authority through resolution or ordinance

Description

- Cities or counties may create a benefit zone and levy a sales and use tax to finance infrastructure development associated with a hospital or local public improvements within the benefit zone

Taxing Authorities

- Cities or counties that create a benefit zone and finance public improvements pursuant to chapter 39.100 RCW

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to the state sales tax rate provided in [chapter 82.08](#) and [82.12](#) RCW (.065 as of October 1, 2012) less the aggregate rates of any other taxes imposed on the same taxable events that are credited against the state sales tax
- The rate cannot be higher than what is reasonably necessary for the local government to receive its entire annual state contribution in a ten-month period of time
- If a county created a benefit zone before a city or town, the tax imposed by the county is credited against the tax imposed by the city or town
- If a city or town created a benefit zone before the county, the tax imposed by the city or town is credited against the tax imposed by the county
- This does not increase a jurisdiction's sales tax rate. The jurisdiction's tax is deducted from the state portion of retail sales or use tax required to be collected or paid over to the department under [chapter 82.08](#) and [82.12](#) RCW

Fiscal Year Distribution Caps

- The tax must cease to be distributed for the remainder of any fiscal year in which the amount of tax distributions total the lesser of:
 - The "state contribution". State contribution is defined as the lesser of \$2 million dollars or an amount equal to the "excess state excise taxes" received by the state during the previous calendar year
 - The amount of local public sources:
 - Dedicated in the previous calendar year to finance improvements authorized under chapter 39.100 RCW
 - Expended in the previous year for public improvement costs, or
 - Used to pay for other bonds issued to pay for public improvements
 - Local public revenue sources dedicated in the previous calendar year that are in excess of the project award may be carried forward and used in later years. The local governments supply this amount to DOR each fiscal year

Local Sales & Use Tax Components

- The award amount authorized by statute and approved through the application process with DOR under RCW [82.32.700](#). The amount of tax approved by the department must not exceed the lesser of \$2 million dollars or the average amount of tax revenue that the applicant estimates that it will receive in all fiscal years through the imposition of a sales and use tax under this program
- The statewide cap for the program, which is \$2 million dollars a year

Administration Fee

- None

Distribution

- 100% to the taxing authority
- The department must remit any excess state tax revenues to the state treasurer for deposit into the general fund. Funds generated that do not exceed the cap, do not need to be distributed to the state and can be carried forward to the next year (do not have to be used by the taxing authority in the year received).

Line Code(s)

- 652

Use of funds

- For costs associated for hospital/infrastructure improvements within the benefit zone

Other Rules

- The department can no longer consider new applications (RCW [82.32.700](#) (1))
- No hospital benefit tax could be imposed before July 1, 2007
- The amount of tax received by the local government in any fiscal year cannot exceed the amount of state contribution
- The department is responsible for determining the amount of tax distributions attributable to each city, town and county and must advise them of when the tax will cease to be distributed
- The tax must be distributed again, should it cease to be distributed due to caps, at the beginning of the next fiscal year
- Jurisdictions must provide an Annual Report by March 1st of each year as outlined in RCW [82.14.470](#)
- Hospital Benefit Zone (HBZ) location codes are used to track sales within a HBZ
- Can only be imposed beginning July 1st of each year
- Authority to impose the tax is on a first-come-first-serve basis
- The department must make a report available to the public and the legislature by June 1st of each year that includes the required information under RCW [82.14.470](#)(5)

Other Information

- As of October 1, 2012, only Gig Harbor qualifies for this tax

Local Sales & Use Tax Components

Component Name:	Baseball Stadium Tax (State Shared)
Revised Code of WA (RCW):	82.14.0485
Date Legislation Enacted:	1995
Date Last Modified:	N/A
Statutory Expiration Date:	None. The taxes imposed expire the earlier of: <ul style="list-style-type: none">• When bonds issued under RCW 82.04.360 are retired• Twenty years after the tax is first collected
Imposed by:	Legislative authority through resolution or ordinance

Description

- Counties with a population of 1 million or more may levy a sales and use tax to fund a baseball stadium

Taxing Authorities

- Counties with a population of one million or more

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.00017
- Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected or paid over to DOR under chapter [82.08](#) and [82.12](#) RCW

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- 100% to the taxing authority

Line Code(s)

- 117

Use of funds

- Moneys collected under this section shall only be used for the purpose of paying the principal and interest payments on bonds issued by a county to construct a baseball stadium

Other Rules

- No tax may be collected before January 1, 1996
- No tax may be collected unless the taxes under RCW [82.04.360](#) are being collected (Baseball Stadium Food and Beverage Tax)
- A public facilities district created under chapter [36.100](#) RCW is not eligible to impose the tax under RCW [82.14.390](#) if the legislative authority of the county where the public facilities district is located has imposed this sales and use tax

Local Sales & Use Tax Components

Other Information

- The bonds for Safeco Field expired (October 1, 2011)
- King County received their final distribution payment on this tax in August 2011
- As of September 1, 2022, King County is the only county that qualifies
- The state will not make any additional contributions based on revised cost or revenue estimates, cost overruns, unforeseen circumstances, or any other reason (RCW [82.14.0486](#))

Local Sales & Use Tax Components

Component Name:	Football Stadium Tax (State Shared)
Revised Code of WA (RCW):	82.14.0494
Date Legislation Enacted:	1997
Date Last Modified:	N/A
Statutory Expiration Date:	This statute expires the earlier of: <ul style="list-style-type: none">• Retirement of bonds issued under RCW 43.99N.020, or• 23 years after the date the tax is first imposed
Imposed by:	Legislative authority through resolution or ordinance

Description

- Counties that have created a public stadium authority may levy a sales and use tax to develop a stadium and exhibition center

Taxing Authorities

- Legislative authority of a county that has created a public stadium authority to develop a stadium and exhibition center under RCW [36.102.050](#)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.00016
- Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected and remitted (or paid in the case of use tax) to the department under [chapter 82.08](#) and [82.12](#) RCW

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- 100% to the taxing authority:
 - Before the issuance of bonds in RCW [43.99N.020](#), all revenues collected on behalf of the county under this section shall be transferred to the public stadium authority. After bonds are issued under RCW [43.99N.020](#), all revenues collected on behalf of the county under this section shall be deposited in the stadium and exhibition center account under RCW [43.99N.060](#)

Line Code(s)

- 116

Use of funds

- For costs associated with bonds for the football stadium

Local Sales & Use Tax Components

Other Rules

- This was first imposed in August 1997. It will expire July 2020 or when the bonds are paid off, whichever is sooner
- A public facilities district created under chapter [36.100](#) RCW is not eligible to impose the tax under RCW [82.14.390](#) if the legislative authority of the county where the public facilities district is located has imposed this sales and use tax

Other Information

- As of September 1, 2022, King County is the only county that qualifies (Century Link Field) under RCW [36.102.010](#)

Local Sales & Use Tax Components

Component Name: Local Infrastructure Financing Tool (LIFT) (State Shared)

Revised Code of WA (RCW): [82.14.475](#)

Date Legislation Enacted: 2006

Date Last Modified: 2013

- Statutory Expiration Date: June 30, 2044.
- The tax imposed expires the earlier of the statutory expiration date or the date the bonds issued to pay for related public improvements under RCW [39.102.150](#) are retired
- All other contractual obligations relating to the financing under chapter [39.102](#) RCW are satisfied
- 25 years after the tax is first imposed

Imposed by: Legislative authority through resolution or ordinance

Description

- Cities or counties may levy a sales and use tax to finance infrastructure development

Taxing Authorities

- A sponsoring or cosponsoring local government that has been approved by the local Community Economic Revitalization Board (CERB) to use local infrastructure financing

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- The lesser of:
 - The following calculation:
 - State rate (.065 per [RCW 82.08.020\(1\)](#)),
 - *Less* the aggregate rate of other local sales and use taxes imposed on the same events,
 - *Less* the aggregate rate of taxes authorized but not yet imposed under RCW [82.14.465](#) and [82.14.475](#),
 - *Less* .000104, which equals the state rate times the rate provided in [RCW 82.08.020\(5\)](#) (.065 x .0016)

or

 - A rate reasonably necessary to collect the award amount over 10 months
 - Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected and remitted to the department under [chapter 82.08](#) and [82.12](#) RCW

Fiscal Year Cap

- The cumulative amount of tax received in any fiscal year cannot exceed the lesser of:
 - The state contribution, defined as the lesser of:
 - One million dollars
 - The amount of money from local public sources used or dedicated, or in the case of carry forward revenues deemed dedicated, in the previous calendar year to the payment of principal

Local Sales & Use Tax Components

and interest on bonds issued, or to pay public improvement costs on a pay-as-you-go basis, under chapter [39.102](#) RCW, or both. Revenues from local public sources dedicated in the previous calendar year that are in excess of the project award may be carried forward and used in the later years for the purpose of determining this amount.

- The award amount (authorized by statute or approved CERB)
- The highest amount of state excise tax allocation revenues and state property tax allocation revenues for any one calendar year as determined by the sponsoring local government
- *For more information see definitions in RCW [39.102.020](#)*
- The total amount paid out on a statewide basis annually cannot exceed \$7.5 million
- If a county and city cosponsor a revenue development area, the combined amount of distributions received by both the city and county may not exceed the state contribution

Administration Fee

- None

Distribution

- 100% to the taxing authority as directed in RCW [82.14.060](#)
- The department must remit any excess state tax revenues to the state treasurer for deposit into the general fund

Line Code(s)

- 650

Use of funds

- For costs associated for infrastructure improvements within the revenue development area
- The tax imposed must be applied either to provide for the payment of debt service on bonds issued under RCW [39.102.150](#), or to pay public improvement costs on a pay-as-you-go basis, or both. However, to the extent the revenues are set aside in a debt service fund pledged to the repayment of bonds, those amounts may not be used to pay for public improvement costs on a pay-as-you go basis after the date the sponsoring local government is required to being paying on those bonds, unless and until the bonds have been retired

Other Rules

- The department can no longer accept applications for the LIFT program. Approval of additional projects and awards would require future legislative action (RCW [39.102.040](#)(4))
- Tax can't be imposed before July 1st of the second calendar year following the year approval was made by CERB and until a local sponsoring government reports to the board and the department that the state has benefited through the receipt of state excise tax allocation revenues or state property tax allocation revenues, or both
- Jurisdictions must provide an Annual Report by March 1st of each year as outlined in RCW [39.102.140](#). Failure to complete the report results in forfeiture of tax revenue for the next fiscal year until the local sponsoring government complies.
 - CERB administers the Annual Report
- Can only be imposed beginning July 1st of each year
- If the local government was approved for state contribution by CERB before October 1, 2008, the rate imposed must be selected no later than September 1, 2009
- Once a rate is selected it cannot be increased

Local Sales & Use Tax Components

- Construction must begin by June 30, 2017, in order to impose the tax
- The department is responsible for determining the amount of tax distributions attributable to each city and county and must advise them of when the tax will cease to be distributed
- The tax must be distributed again, should it cease to be distributed due to caps, at the beginning of the next fiscal year
- If a sponsoring local government is a federally recognized Indian tribe, the distribution of the sales and use tax authorized must be done through an inter-local agreement pursuant to chapter [39.34](#) RCW

Other Information

- Revenue development area (RDA) location codes were used to track sales within the RDA in 2008 – 2010. Legislation in 2009 eliminated the need to use these codes
- Nine projects have been awarded state contribution under this program. They are located in Bellingham, Bothell, Everett, Federal Way, Mount Vernon, Puyallup, Vancouver, Yakima and Spokane County

Local Sales & Use Tax Components

Component Name:	Local Revitalization Financing (LRF) (State Shared)
Revised Code of WA (RCW):	82.14.510
Date Legislation Enacted:	2009
Date Last Modified:	2016
Statutory Expiration Date:	None. The tax imposed expires the earlier of: <ul style="list-style-type: none">• The date bonds issued are retired• 25 years after the tax is first imposed
Imposed by:	Legislative authority through resolution or ordinance

Description

- Cities or counties may levy a sales and use tax to finance infrastructure development

Taxing Authorities

- Any city or county that has been approved for a project award under RCW [39.104.100](#)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- The lesser of:
 - The following calculation:
 - State rate (.065 per RCW [82.08.020\(1\)](#)),
 - *Less* the aggregate rate of other local sales and use taxes imposed on the same events,
 - *Less* the aggregate rate of taxes authorized but not yet imposed under RCW [82.14.465](#), [82.14.475](#), and [82.14.510](#),
 - *Less* .000104, which equals the state rate times the rate provided in RCW [82.08.020\(5\)](#) (.065 x .0016)

or

 - A rate reasonably necessary to collect the award amount over 10 months
 - Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is credited from the state portion of retail sales and use tax required to be collected or paid over to DOR under [chapter 82.08](#) and [82.12](#) RCW

Fiscal Year Cap

- The amount approved by the department that year which can be the lesser of:
 - The state contribution which is up to \$500,000 per project
 - The project award amount which is approved through the application process with DOR each fiscal year
 - The total amount of local public sources dedicated, or in the case of carry forward revenues deemed dedicated, in the previous calendar year to the payment of principal and interest on bonds issued under RCW [39.104.110](#) and public improvement costs within the revitalization area on a pay-as-you-go basis
- The amount of revenue distributed to all sponsoring and cosponsoring local governments from taxes imposed equals the annual state contribution limit of \$2.5 million, plus any amounts awarded to demonstration projects

Local Sales & Use Tax Components

Administration Fee

- None

Distribution

- 100% to the taxing authority as directed in RCW [82.14.060](#)
- Any revenues generated from the tax in excess of the fiscal caps must be distributed to the State of Washington

Line Code(s)

- 651

Use of funds

- To pay debt service on bonds issued under RCW [39.104.110](#) as defined in RCW [82.14.515](#)

Other Rules

- Jurisdictions must provide an Annual Report by March 1st of each year as outlined in RCW [82.32.765](#). Failure to complete the report results in forfeiture of tax revenue for the next fiscal year until the local sponsoring government complies
- Can only be imposed beginning July 1st of each year
- For projects other than demonstration projects, no tax can be imposed before:
 - July 1, 2011;
 - July 1st of the second calendar year following the year in which the department approved the application;
 - The state sales and use tax increment and state property tax increment for the preceding calendar year equal or exceed the amount of project award approved by the department;
 - Bonds have been issued under RCW [39.104.110](#)
 - Exception: Any city receiving an annual project award amount of less than \$150,000 is not required to issue bonds before imposing the tax
- For demonstration projects, no tax may be imposed before:
 - July 1, 2010, and
 - Bonds have been issued under RCW [39.104.110](#)
 - Exception: The Tacoma International Financial Services Area project is not required to issue bonds before imposing the tax
 - Exception: Any city receiving an annual project award amount of less than \$150,000 is not required to issue bonds before imposing the tax
- Once a rate is selected it cannot be increased
- The department is responsible for determining the amount of tax distributions attributable to each city and county and must advise them of when the tax will cease to be distributed
- The tax must be distributed again, should it cease to be distributed due to caps, at the beginning of the next fiscal year
- If a city or county receives approval for more than one revitalization area within its jurisdiction, the city or county may impose a sales and use tax under this section for each revitalization area
- If a city or county has been approved for a project award prior to January 1, 2011 but has not imposed a sales or use tax under the LRF program by December 31, 2016, the city or county must forfeit their project award

Local Sales & Use Tax Components

unless they send a letter to the department by July 1, 2016 indicating they intend to impose a sales and use tax under the LRF program by July 1, 2022 under RCW [39.104.100\(3\)\(e\)\(ii\)](#)

- Funds that become available under these circumstances must be reallocated to other applicants

Other Information

- Eighteen projects have been approved for state contributions under LRF. The projects are located in Auburn, Bellevue, Bremerton, Federal Way, Kennewick, Lacey, Mill Creek, Puyallup, Renton (2 projects), Richland, Spokane, Tacoma, University Place, Vancouver, Wenatchee, Clark County, and Whitman County
- This program is still available at the local level without a state contribution
- Effective June 9, 2016, the Department of Commerce is designated the approving agency and is tasked with selecting which projects are awarded state contributions to finance LRF projects (RCW 39.104.020(2))
- For applications received for funds that became available on or after June 9, 2016, the Department of Commerce must select an award recipient based on the following criteria (RCW [39.104.100\(3\)\(a\)](#)):
 - The availability of a state contribution
 - The availability of a local match
 - The number of jobs created by the project
 - The fit of the expected business creation or expansion within the region's preferred economic growth strategy
 - The speed with which project construction may begin
 - The extent to which the project leverages non-state funding
- The Department of Commerce must consult with the department in determining the amount of a project award (RCW [39.104.100\(4\)](#))
- The Department of Commerce must notify the department of all approved project awards under this section. The Department of Commerce must also provide to the department any information necessary to implement the tax under RCW [82.14.510](#) (RCW [39.104.100\(5\)](#))

Local Sales & Use Tax Components

Component Name:	Public Facilities District (PFD) (State Shared)
Revised Code of WA (RCW):	82.14.485
Date Legislation Enacted:	2007
Date Last Modified:	2017
Statutory Expiration Date:	None. The tax imposed expires the earlier of: <ul style="list-style-type: none">• Expiration of bonds, or• 40 years from the date the tax is first collected
Imposed by:	Legislative authority through resolution or ordinance, subject to limitations under chapter 35.57 and 36.100 RCW

Description

- A PFD may impose a tax to finance a regional center as defined by RCW [35.57.020](#)

Taxing Authorities

- Public Facilities Districts that:
 - Were created before August 1, 2001 under chapter [35.57](#) RCW, or before January 1, 2000 under chapter [36.100](#) RCW
 - Have a total population between 90,000 – 100,000
 - Are within a county with a population under 300,000
 - Commenced improvement or rehabilitation of an existing regional center with less than 2,000 seats before January 1, 2009

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.00025 if PFD created before August 1, 2001, under chapter [35.57](#) RCW
- Up to 0.0002 if PFD created before January 1, 2000, under chapter [36.100](#) RCW
- Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected and remitted (or paid in the case of use tax) to the department under [chapter 82.08](#) and [82.12](#) RCW

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- 100% to the taxing authority

Line Code(s)

- 112

Local Sales & Use Tax Components

Use of funds

- Must be used for purposes described in RCW [35.57.020](#), including costs associated with financing and maintaining regional centers

Other Rules

- Not Applicable

Local Sales & Use Tax Components

Component Name: Public Facilities Regional Centers (State Shared)

Revised Code of WA (RCW): [82.14.390](#)

Date Legislation Enacted: 1999

Date Last Modified: 2017

Statutory Expiration Date: None. The tax imposed expires the earlier of:

- The bonds issued for construction of the regional center and related parking facilities are retired
- 40 years after the tax is first collected

Imposed by: Legislative Authority subject to limitations under chapter [35.57](#) and [36.100](#) RCW

Description

- A PFD meeting the requirements below may impose a sales and use tax to finance construction of a regional center

Taxing Authorities

- PFDs that meet one of the following criteria:
 - Created, under chapter [35.57](#) or [36.100](#) RCW, before July 31, 2002
 - And commenced construction of new regional center or improvement of existing center before January 1, 2004
 - Created, under chapter [35.57](#) RCW, before July 1, 2006
 - And, is in a county or counties with no other PFD(s) on June 7, 2006, and
 - And, PFD has population of greater than 90,000, and
 - And, Commenced construction of new regional center before February 1, 2007
 - Created under RCW [35.57.010](#)(1)(d)
 - Created, under chapter [35.57](#) or [36.100](#) RCW, before September 1, 2007
 - And, is in a county or counties with no other PFD(s) on July 22, 2007
 - And, PFD has population of greater than 70,000
 - And, commenced construction either:
 - Before January 1, 2009, of a new regional center or
 - Before January 1, 2011, of a new regional center in a county designated as a disaster area by the president in December 2007

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.00033
- Exception: up to 0.00037 for jurisdictions with a net loss of 0.5% due to the change to destination based sourcing as of July 1, 2008. (increases can only be in 0.00001 increments)
 - Net loss is only calculated based on the first three fiscal years after July 1, 2008. Rate increases can occur after the three fiscal years if the maximum rate has not been reached
 - Incremental increase in tax rate must be the least amount necessary to mitigate the net loss in sales and use tax
- Combined total tax levied cannot be greater than 0.00037

Local Sales & Use Tax Components

- If both a PFD created under chapter [35.57](#) RCW and a PFD created under chapter [36.100](#) RCW impose this tax, the tax imposed by a PFD created under chapter [35.57](#) RCW must be credited against the tax imposed by a PFD created under chapter [36.100](#) RCW
- Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected and remitted (or paid in the case of use tax) to the department under [RCW 82.08](#) and [82.12](#)

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- 100% to the taxing authority
- During the 2011 – 2013 fiscal biennium, the distribution from the state to a PFD, based on the additional rate authorized due to net losses, must be reduced by 3.4%.

Line Code(s)

- 115

Use of funds

- Funds must be used for the purposes set forth in RCW [35.57.020](#)

Other Rules

- A public facilities district created under chapter [36.100](#) RCW cannot impose this tax if it has imposed a sales and use tax under RCW [82.14.0485](#) or RCW [82.14.0494](#)
- No tax may be collected before August 1, 2000
- Determinations are final and not subject to appeal

Local Sales & Use Tax Components

Component Name:	Rural Counties (State Shared)
Revised Code of WA (RCW):	82.14.370
Date Legislation Enacted:	1997
Date Last Modified:	2024
Statutory Expiration Date:	None. If a county imposed a tax at the rate of 0.0009 before August 1, 2009, and met the definition of a rural county as of August 1, 2009. The tax imposed expires December 31, 2054
Imposed by:	Legislative authority of a rural county through resolution or ordinance

Description

- A rural county may impose a tax to finance public facilities which service economic development purposes

Taxing Authorities

- Rural counties (counties with a population density of less than 100 persons per square mile or smaller than 225 square miles)

Tax Base

- This tax applies to retail sales taxable activity under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.0009
 - Except, prior to January 1, 2000, the rate could not exceed 0.0004 for counties with a population density between 60 and 100 persons per square mile
- Taxes imposed do not increase a jurisdiction's sales tax rate. The tax is deducted from the state portion of retail sales and use tax required to be collected and remitted (or paid in the case of use tax) to the department under [chapter 82.08](#) and [82.12](#) RCW

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- 100% to the taxing authority

Line Code(s)

- 110

Use of funds

- For costs associated with financing public facilities serving economic development purposes in rural counties, financing the construction of affordable workforce housing infrastructure or facilities, and financing personnel in economic development offices

Local Sales & Use Tax Components

Other Rules

- Tax cannot be imposed before July 1, 1998
- The county must consult with cities, towns and port districts to ensure expenditures meets the goals of chapter 130, Laws of 2004
- The public facility must be listed as in item in the officially adopted county overall economic development plan or provide affordable workforce housing infrastructure or facilities. Each county must report to the state auditor within 150 days after the close of each fiscal year:
 - List of new projects begun in fiscal year
 - Expenditures during fiscal year
- No money collected may be used for justice system facilities

Other Information

- The following counties do not qualify as rural counties as of October 1, 2012:
 - King
 - Benton
 - Clark
 - Kitsap
 - Pierce
 - Snohomish
 - Spokane
 - Thurston

Local Sales & Use Tax Components

Component Name:	Lodging Taxes
Revised Code of WA (RCW):	36.100.040 excluding sections (4) and (5)
Date Legislation Enacted:	1988
Date Last Modified:	2018
Statutory Expiration Date:	None
Imposed by:	By voter approval (simple majority): <ul style="list-style-type: none">• Exception: by legislative authority if the tax was imposed prior to December 31, 1995

Description

- Public facility districts (PFDs) may levy a tax to fund costs associated with public facilities

Taxing Authorities

- PFDs

Tax Base

- This tax applies to the sale of or charge made for furnishing of lodging that is subject to tax under [chapter 82.08](#) RCW
 - Exception: only businesses with 40 or more lodging units must collect the tax
 - Exception: does not apply to sales of temporary medical housing that are exempt under [RCW 82.08 .997](#)

Tax Rate

- Up to 0.02
 - Exception: a PFD cannot impose this tax if the tax would cause the effective combined rate of state and local excise taxes imposed on the furnishing of lodging, in any jurisdiction within the PFD, to exceed 0.115. (This exception does not apply to PFD's created in a county with a population of 1.5 million or more for the purpose of operating, renovating, and expanding a convention and trade center)

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- Taxing authority receives 100%

Line Code(s)

- 48

Use of funds

- For costs associated with acquisition, design, construction, remodeling, maintenance, equipping, reequipping, repairing and operation of its public facilities

Local Sales & Use Tax Components

Other Rules

- The tax may not be imposed until the PFD has approved the proposal to acquire, design and construct the public facilities
- If a PFD pledges revenue to pay or secure the payment of obligations incurred by the PFD, the legislature cannot eliminate or change the PFD's authority to levy and collect the taxes at the rates allowed under this section

Local Sales & Use Tax Components

Component Name:	Lodging Taxes / Convention Center Taxes – Section (4)
Revised Code of WA (RCW):	36.100.040 (4)
Date Legislation Enacted:	1988
Date Last Modified:	2018
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- Public facility districts (PFD) may levy a tax to fund a convention and trade center

Taxing Authorities

- PFDs within a county with a population of 1.5 million or more

Tax Base

- This tax applies to the sale of or charge made for furnishing of lodging that is subject to tax under [chapter 82.08](#) RCW
 - This tax is limited to King County based on criteria provided in statute
 - Prior to January 1, 2019, this tax was imposed only on lodging businesses with 60 or more lodging units
 - As of January 1, 2019, this tax will apply to all lodging including, but not limited to, vacation rentals, short-term rentals (as defined in RCW [36.100.040](#) (12)(b)), hotels/motels, camping or rv parks, and bed & breakfast accommodations
 - Exception: does not apply if a business has less than 60 units and is located in a town with a population of less than 300
 - Exception: does not apply to sales of temporary medical housing that are exempt under [RCW 82.08 .997](#)
 - Exception: does not apply to any premises classified as a hostel
 - Exception: does not apply to any lodging that is operated by a university health care system exclusively for family members of patients

Tax Rate

- Up to 0.07 within the largest city in the PFD
- Up to 0.028 in all other areas (not within the largest city) in the PFD

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- Taxing authority receives 100% on lodging businesses with 60 or more rooms
- Taxing authority must distribute all short-term rental income generated in Seattle to the City of Seattle
- Taxing authority must distribute 50% of all other new revenue to King County

Local Sales & Use Tax Components

Line Code(s)

- 48

Use of funds

- For costs associated with acquiring, owning, operating, renovating and expanding a convention and trade center
- New revenue distributed to King County must be used to support affordable housing programs, as determined at the discretion of the county

Other Rules

- The tax cannot be collected prior to the transfer date defined in RCW [36.100.230](#)
- If a PFD pledges revenue to pay or secure the payment of obligations incurred by the PFD, the legislature cannot eliminate or change the PFD's authority to levy and collect the taxes at the rates allowed under this section
- After January 1, 1983, a city, town or county imposing this tax cannot impose a license fee or tax on the act or privilege of engaging in business to furnish lodging services (as described in RCW [36.100.042](#)) at a rate higher than the retail sales tax rate

Other Information

- RCW [36.100.040](#) replaced RCW [67.40.090](#) effective November 30, 2010

Local Sales & Use Tax Components

Component Name:	Lodging Taxes / Convention Center Taxes - Section (5)
Revised Code of WA (RCW):	36.100.040 (5)
Date Legislation Enacted:	1988
Date Last Modified:	2018
Statutory Expiration Date:	None. The tax imposed expires the earlier of: <ul style="list-style-type: none">• July 1, 2029, or• The date on which all obligations issued or incurred to implement any redemption, prepayment, or legal defeasance of outstanding obligations under RCW 36.100.230(3)(a) are no longer outstanding
Imposed by:	Legislative authority by resolution or ordinance

Description

- Public facility districts (PFD) may levy a tax to fund a convention and trade center

Taxing Authorities

- PFDs within a county with a population of 1.5 million or more

Tax Base

- This tax applies to the sale of or charge made for furnishing of lodging that is subject to tax under RCW [82.08](#), except:
 - Prior to January 1, 2019, this tax was imposed only on lodging businesses with 60 or more lodging units
 - As of January 1, 2019, this tax will apply to all lodging including, but not limited to, vacation rentals, short-term rentals (as defined in RCW [36.100.040](#)(12)(b)), hotels/motels, camping or rv parks, and bed & breakfast accommodations
 - Exception: does not apply if a business has less than 60 units and is located in a town with a population of less than 300
 - Exception: does not apply to sales of temporary medical housing that are exempt under [RCW 82.08.997](#)
 - Exception: does not apply to any premises classified as a hostel

Tax Rate

- Up to 0.02
- Tax imposed does not increase a jurisdiction's sales tax rate. The tax is credited against the state portion of retail sales required to be collected and remitted (or paid in the case of use tax) to the department under [chapter 82.08](#) RCW

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- Taxing authority receives 100%

Local Sales & Use Tax Components

Line Code(s)

- 119

Use of funds

- Funds must be used for paying or securing the payment of principal and interest on obligations issued by the PFD and/or paying the “annual payment”

Other Rules

- If a PFD pledges revenue to pay or secure the payment of obligations incurred by the PFD, the legislature cannot eliminate or change the PFD’s authority to levy and collect the taxes at the rates allowed under this section nor can it increase the annual payment amount
- After January 1, 1983, a city, town or county imposing this tax cannot impose a license fee or tax on the act or privilege of engaging in business to furnish lodging services (as described in RCW [36.100.042](#)) at a rate higher than the retail sales rate
- The tax cannot be collected prior to the transfer date defined in RCW [36.100.230](#)
- Must make annual payment to the state on June 30th of each fiscal year. The payment amount equals the revenues received by the PFD in the fiscal year from the tax imposed under this section plus interest
- If the PFD is unable to pay all or any of the annual payment, the deficiency is deemed to be a loan by the state. The loan obligation survives the expiration date

Other Information

- RCW [36.100.040](#) replaced RCW [67.40.130](#) effective November 30, 2010

Local Sales & Use Tax Components

Component Name:	Special Hotel/Motel
Revised Code of WA (RCW):	67.28.181
Date Legislation Enacted:	1997
Date Last Modified:	2015
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- Cities or counties may levy a tax to fund tourism promotion

Taxing Authorities

- Cities
- Counties

Tax Base

- This tax applies to the sale of or charge made for furnishing lodging subject to tax under [chapter 82.08](#) RCW
 - Exception: does not apply to sales of temporary medical housing that are exempt under RCW [82.08.997](#)
 - Exception: does not apply to emergency lodging provided for homeless persons for periods less than 30 consecutive days under a shelter voucher program administered by an eligible organization under RCW 82.08.0299

Tax Rate

- Lesser of
 - Up to 0.02 (cannot be imposed in increments smaller than 0.001)
 - A rate when combined with all other taxes imposed on sales of lodging under this chapter and chapters [36.100](#), [67.40](#), [82.08](#), and [82.14](#) RCW equals 12%
- Exceptions:
 - RCW [67.28.181](#) (2)(a) explains municipalities authorized to impose the tax where the total rate of both special hotel/motel tax and transient rental state share tax exceeded 4% before July 27, 1997, the rate may not exceed the rate actually imposed on January 31, 1999 (Bellevue, Cowlitz County, Grays Harbor County, Winthrop, Long Beach, Pierce County, Airway Heights, Chelan City, Leavenworth, Wenatchee and Yakima City)
 - If a county imposed the tax with a rate of 4% or more on January 1, 1997, no city within that county may impose this tax, unless imposed by a municipality described in the prior bullet point
 - For a city with a population greater than 400,000 that is located in a county with a population greater than 1 million, the rate cannot exceed the lesser of:
 - 4%, or
 - A rate that when combined with all other taxes on lodging sales under chapters [36.100](#), [82.08](#) and [82.14](#) RCW, equals 15.2%
 - For municipalities authorized to impose the tax where the rate exceeded 6% before January 1, 1998, the rate may not exceed the rate that was imposed on January 1, 1998 (Wenatchee and East Wenatchee)
- If a county, and a city within that county, both impose the tax, the county must give a credit against its tax for the full amount of the city tax on the same taxable event

Local Sales & Use Tax Components

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- Taxing authority receives 100%

Line Code(s)

- 70

Use of funds

- For costs associated with tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities (RCW [67.28.1815](#))

Other Rules

- A city imposing this tax cannot use the revenue directly or indirectly to acquire, construct, operate or maintain facilities or land intended to be used by a professional sports franchise if the city is within a county that uses the proceeds of its tax imposed under this chapter in that manner (RCW [67.28.184](#))
- Any local sales and use tax change adopted after December 1, 2000, must provide an exemption for sales of lodging if the total sales tax rate charged would exceed the greater of:
 - 12%, or
 - The rate imposed for lodging charges as of December 1, 2000
- Each municipality should have submitted a report to the Department of Community, Trade and Economic Development in 1998 and 2000 as required in RCW [67.28.8001](#)

Other Information

- Special location codes were created due to the statutory rate cap under RCW [82.14.410](#)
- Bellevue's 3% special hotel/motel tax imposed under RCW [67.40.100](#) was repealed and replaced with the special hotel/motel statute RCW [67.28.181](#)(2)(a)

Local Sales & Use Tax Components

Component Name:	Tourism Promotion Area (TPA)
Revised Code of WA (RCW):	35.101
Date Legislation Enacted:	2003
Date Last Modified:	2024
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- Cities or counties may levy a charge to fund tourism promotion

Taxing Authorities

- All counties less than 1 million, and any city within such a county, including unclassified cities or towns operating under special charters
- Jurisdictions in a county with a population of 1 million or more; but only where 2 or more jurisdictions are acting jointly as a legislative authority under an interlocal agreement
 - Exception: A city located in a county with a population of 1 million or more, incorporated after January 1990, and containing a population greater than 89,000 is considered the legislative authority and is not required to enter into an interlocal agreement with another jurisdiction located within the same county (As of July 1, 2020, only Federal Way met this criteria)

“Tax” Base

- This charge applies to furnishing of lodging that is subject to tax under [chapter 82.08](#) RCW
 - Exception: only businesses with 40 or more lodging units must collect the charge
 - Exception: does not apply to sales of temporary medical housing that are exempt under [RCW 82.08.997](#)

“Tax” Rate

- Up to \$2.00 per room, per night of stay:
 - Up to six classifications upon which a charge can be imposed
 - Classifications can be based upon the number of rooms, room revenue or location within the area
 - Each classification can have its own rate, which must be expressed in terms of nights of stay
- Up to an additional \$3.00 per room, per night of stay:
 - Signatures of the persons who operate lodging businesses who would pay 60% or more of the tax must be provided to the department with the proposed uses and projects ([RCW 35.101.057](#))
 - This expires July 1, 2027

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily allowed for counties with a population greater than 1 million or a city or town within a county that has a population greater than 1 million

Distribution

- Taxing authority receives 100%

Local Sales & Use Tax Components

Line Code(s)

- 170

Use of funds

- Can only be used for costs associated with tourism promotion

Other Rules

- A county cannot include any portion of a city in its TPA boundaries unless the city agrees
- A city cannot include any portion of a county in its TPA boundaries unless the county agrees
- TPA charges are in addition to the special assessments that may be levied under chapter 35.87A RCW (Parking and Business Improvement Areas)
- All revenues received from this charge must be deposited into the local tourism promotion fund
- If a majority of the lodging businesses that are assessed the charges petition in writing to the legislative authority, the legislative authority must remove the charge. This does not apply to any charge in place before January 1, 2020 unless a charge increase was authorized under the 2020 legislation

Local Sales & Use Tax Components

Component Name:	Transient Rental (State Shared)
Revised Code of WA (RCW):	67.28.180 & 67.28.1801
Date Legislation Enacted:	1967
Date Last Modified:	2021
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- Cities or counties may levy a tax to fund tourism promotion, tourism facility acquisitions and operations

Taxing Authorities

- Cities
 - Exception: Cities within a county with a population of 1.5 million or more cannot levy the tax
 - Exception: A city cannot levy the tax if they are located in a county that is exempt from providing a credit against the county tax for the full amount of the city tax imposed on the same taxable event (See information on exemptions to the credit against the county tax in “Other Rules” below)
 - However, a city located in either type of county above can impose the tax if, prior to June 26, 1975, they authorized and issued general obligation bonds - but only if the tax revenue was pledged for payment of principal and interest on the bonds
- Counties

Tax Base

- This tax applies to the sale of or charge made for the furnishing of lodging that is subject to tax under [chapter 82.08](#) RCW

Tax Rate

- Up to 0.02
- Tax imposed does not increase a jurisdictions sales tax rate. The tax is credited against the state portion of retail sales tax required to be collected and remitted to the department under [chapter 82.08](#) RCW
- Any county imposing the tax must provide a credit against the county tax for the full amount of any city tax imposed upon the same taxable event (unless they are exempt - see applicable exemptions under “Other Rules”)

Fiscal Year Cap

- Not Applicable

Administration Fee

- None

Distribution

- Taxing authority receives 100%

Line Code(s)

- 47

Local Sales & Use Tax Components

Use of funds

- Credited to a special fund used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facilities or operation of tourism-related facilities – except as required below:
- Counties with a population of 1.5 million or more:
 - January 1, 2001 through December 31, 2012: taxes collected from this tax in excess of \$5,300,000 must be used as follows:
 - 70% for art museums, cultural museums, heritage museums, the arts and the performing arts in all parts of the county
 - 40% of this portion must be deposited in a special account that can only be used for these purposes
 - School districts may not receive revenues
 - Cannot be used to replace or supplant any other funding by the legislative body of the county
 - 30%, in the following order of priority, for: stadium purposes, acquisition of open space lands, youth sports activities and tourism promotion. Unless, all or part of the debt on the stadium is refinanced, then all 30% of the revenues must be used to retire the debt
 - January 1, 2013 through December 31, 2015: all revenues must be used to retire the debt on the stadium, until the debt is retired. Once the debt is retired, the revenue must be deposited in the special account
 - January 1, 2016 through December 31, 2020: all revenues must be deposited in the stadium and exhibition center account
 - On and after January 1, 2021, revenues must be used as follows:
 - At least 37.5% deposited in the special account
 - At least 37.5% for nonprofit organizations or public housing authorities for affordable workforce housing within ½ mile of a transit station or for services for homeless youth
 - Remainder for capital or operation programs that promote tourism and attract tourists to the county
- Restrictions:
 - Cannot be used for operation or maintenance of a public stadium that is financed directly or indirectly by bonds to which the tax is pledged
 - Ad valorem property taxes cannot be used for debt service on bonds issued for a public stadium that is financed by bonds to which the tax is pledged, unless the tax revenue under this section is insufficient to meet debt service requirements on the bonds
 - If a nonpublic entity performs a substantial part of the operation and management of a public stadium or if a public stadium is sold, and that stadium is financed directly or indirectly by bonds to which the tax is pledged, the bonds to which the tax is pledged must be retired. This does not apply to public stadiums, under chapter [36.102](#) RCW, which are transferred to, owned by, or constructed by a PFD under chapter [36.100](#) RCW or a stadium and exhibition center

Other Rules

- Exemptions to the credit against the county tax:
 - If a county, prior to June 26, 1975, pledged revenues to city or general obligation bonds or authorized and issued general obligation bonds, pursuant to RCW [67.28.150](#) and [67.28.160](#), then the county is not required to provide a city a credit against its tax to the extent the revenues are pledged for payment of principal and interest on the bonds
 - Amounts not immediately needed for payment of the principal or interest on the above bonds can be used for the following purposes (in addition to the uses otherwise authorized in this section):

Local Sales & Use Tax Components

- Counties with a population greater than 1.5 million:
 - Repay the limited tax levy general obligation bonds or any county fund or account from which the loan was made where the bonds or loans were used to fund stadium capital improvement projects, regardless of the date of debt related to the projects
 - Repay or refinance bonded indebtedness incurred prior to January 1, 1997 for any purpose under this section, for any purpose relating to stadium repairs or rehabilitation and any other purpose for which such debt has been incurred if the county created a public stadium authority to develop a stadium and exhibition center under RCW [36.102.030](#)
- All other counties, for county-owned facilities: for agricultural promotion until January 1, 2009 and any purpose thereafter authorized in chapter [67.28](#) RCW
- A county does not need to provide a credit if city revenue or general obligation bonds were issued after April 1, 1991 if the bonds mature before January 1, 2013
- A county located east of the crest of the Cascade mountains that, prior to June 26, 1975, pledged tax revenue for payment of principal and interest on city revenue or general obligation bonds does not have to provide a credit to a city within that county that also imposes the tax with respect to revenue or general obligations bonds issued after January 1, 2007 if the bonds mature before January 1, 2035
 - The revenue may only be used for constructing or improving facilities authorized under chapter [67.28](#) RCW, including county-owned facilities for agricultural promotion
- A county may not lease or authorize the use of a public stadium that is financed directly or indirectly by bonds to which the tax is pledged to a professional major league sports franchise unless the franchise gives the local government the right of first refusal to purchase the franchise upon its sale. This does not apply to contracts in existence on April 1, 1986

Local Sales & Use Tax Components

Component Name:	Rental Car - King County Stadium
Revised Code of WA (RCW):	82.14.360 (excluding section 1)
Date Legislation Enacted:	1995
Date Last Modified:	2008
Statutory Expiration Date:	None. The tax imposed expires the earlier of: <ul style="list-style-type: none">• The bonds issued for a baseball stadium expire• 20 years after the taxes are first imposed
Imposed by:	Legislative authority through resolution or ordinance

Description

- Counties with a population of one million or more may levy a sales and use tax to fund a baseball stadium as defined in RCW [82.14.0485](#)

Taxing Authorities

- Any county with a population of one million or more

Tax Base

- This tax applies to retail car rentals subject to tax under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.02

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- 100% to the taxing authority

Line Code(s)

- 118

Use of funds

- Revenue must be used for the purpose of principal and interest payments on bonds, issued by the county, to acquire, construct, own, remodel, maintain, equip, reequip, repair, and operate a baseball stadium. Revenues from the taxes may be used for design and other preconstruction costs of the baseball stadium until bonds are issued for the baseball stadium

Local Sales & Use Tax Components

Other Information

- As of October 1, 2012, King County is the only county that qualifies
- While the bonds issued for the baseball stadium in King County expired October 1, 2011, King County continues to receive funds collected for tax return periods prior to the expiration
- If revenue from the taxes exceeds the amount needed for principal and interest payments in any year the excess is to be used solely for:
 - Early retirement of the bonds issued for the baseball stadium
 - If revenue exceeds the amount needed for early retirement of the bonds in any year, the excess shall be placed in a contingency fund to be used for unanticipated capital costs on the baseball stadium, excluding any cost overruns on initial construction

Local Sales & Use Tax Components

Component Name: Rental Car - Local
Revised Code of WA (RCW): [82.14.049](#)
Date Legislation Enacted: 1992
Date Last Modified: 2020
Statutory Expiration Date: None
Imposed by: Legislative authority by resolution or ordinance

Description

- Counties may levy a rental car tax to fund public sports facilities.

Taxing Authorities

- Counties

Tax Base

- This tax applies to retail car rentals subject to tax under [RCW 82.08](#) and [82.12](#)

Tax Rate

- 0.01

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily may be up to 2% of taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%

Line Code(s)

- 182

Use of funds

- Funds cannot be used to subsidize any professional sports team
- Funds must be used solely for:
 - acquiring, constructing, maintaining, or operating public sports stadium facilities
 - engineering, planning, financial, legal, or professional services incidental to public sports stadium facilities;
 - youth or amateur sport activities or facilities; or
 - debt or refinancing debt issued for the purposes of subsection (1) of this section. In a county with a population of one million or more, 75% of the tax imposed must be used to retire the debt on the stadium under RCW [67.28.180\(2\)\(b\)\(ii\)](#)

Local Sales & Use Tax Components

Other Information

- As of January 1, 2014, the following counties have imposed this tax:
 - King
 - Franklin
 - Spokane
 - Pierce
 - Kittitas
- This tax is in addition to the regular and optional taxes imposed by cities and counties imposed under RCW [82.14.030](#)

Local Sales & Use Tax Components

Component Name:	Rental Car – High Capacity Transportation Services
Revised Code of WA (RCW):	81.104.160
Date Legislation Enacted:	1990
Date Last Modified:	2022
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution subject to the provisions under RCW 81.112.030 (8) & (9)

Description

- Agencies or high capacity transportation corridor areas may levy a rental car tax to fund high capacity transportation services

Taxing Authorities

- Agencies or high capacity transportation corridor areas as outlined in chapter [81.104](#) RCW

Tax Base

- This tax applies to retail car rentals subject to tax under [chapter 82.08](#) and [82.12](#) RCW

Tax Rate

- Up to 0.02172

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily may be up to 2% of the taxes collected
- As of October 1, 2012, RTA and DOR have contracted to the following fee schedule:
 - Fiscal Year 2011 1,420,383. (administration fee for 2011 covers both sales tax and rental car distribution)
 - Fiscal Year 2012 (starting 7.1.11) – .6% applied to 4/9ths of RTA tax distributions (.002667)
 - Fiscal Year 2013 through FY 2025 – .7% applies to 4/9ths of RTA tax distributions (.003111)
 - Fiscal Year 2026 forward – .7% applies to 100% of RTA tax distributions

Distribution

- Taxing authority receives 100%

Line Code(s)

- Sales Tax = 8982
- Use Tax = 8982

Use of funds

- For costs associated with providing high capacity transportation services
- Any purpose relating to planning construction and operation of high capacity transportation systems and commuter rail system, personal rapid transit, bus-ways, bus sets, and entrained and linked buses

Local Sales & Use Tax Components

- Can also pledge revenues to retire bonds issued solely to provide high capacity transportation services

Other Rules

- Any motor vehicle excise tax previously imposed under the provisions of RCW 81.104.160(1) shall be repealed, terminated, and expire on December 5, 2002, except for a motor vehicle excise tax for which revenues have been contractually pledged to repay a bonded debt issued before December 5, 2002, as determined by *Pierce County et al. v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds that were previously issued, the motor vehicle excise tax must comply with chapter 82.44 RCW as it existed on January 1, 1996

Other Information

- As of October 1, 2012, only Sound Transit Regional Transit Authority has imposed this tax
- This tax is in addition to the regular and optional taxes imposed under RCW [82.14.030](#)

Local Sales & Use Tax Components

Component Name:	911 Wireline
Revised Code of WA (RCW):	82.14B.030
Date Legislation Enacted:	1998
Date Last Modified:	2022
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- The State imposes a 911 excise tax to fund emergency communication services
- Counties may levy a 911 excise tax to fund emergency communication services

Taxing Authorities

- The State
- Counties

Tax Base

- This tax applies to the use of switched access lines.
- This tax is not subject to taxes imposed under [chapter 82.08](#), [82.12](#), or [82.14](#) RCW

Tax Rate

- Per switched access line per month:
 - State rate is up to \$0.25
 - County rate is up to \$0.70
- The amount of tax must be uniform for each switched access line

Fiscal Year Cap

- Not Applicable

Administration Fee (county tax only)

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%
- State and county tax proceeds must be deposited in the 911 accounts created in RCW [38.52.540](#) and RCW [82.14B.063](#), respectively
- Funds generated from the state portion of this tax may not be distributed to any county that has not imposed the maximum county 911 excise tax allowed (RCW [82.14B.030\(1\)](#))

Line Code(s)

- Wirelines = 793

Use of funds

- Funds must be used solely for the emergency services communication system

Local Sales & Use Tax Components

Other Rules

- The county must provide notice of the tax at least 60 days in advance of the date on which the first payment is due
- Counties imposing a 911 excise tax must provide an annual update to the 911 coordinator detailing how much they spent on efforts to modernize their existing 911 system and their 911 operational costs

Other Information

- The department began administering the 911 county tax on January 1, 2011
- Counties that previously collected 911 taxes allowed businesses to credit administrative costs against 911 taxes collected

Local Sales & Use Tax Components

Component Name:	911 Wireless
Revised Code of WA (RCW):	82.14B.030
Date Legislation Enacted:	2001
Date Last Modified:	2022
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- The State imposes a 911 excise tax to fund emergency communication services
- Counties may levy a 911 excise tax to fund emergency communication services

Taxing Authorities

- The State
- Counties

Tax Base

- This tax applies to the
 - Use of radio access lines
 - By subscribers whose place of primary use is located within the county
 - By consumers whose retail transaction occurs within the county (effective January 1, 2014)
 - And those radio access lines that are resold
- This tax is not subject to taxes imposed under [chapter 82.08](#), [82.12](#) or [82.14](#) RCW

Tax Rate

- Per radio access line per month:
 - State rate is up to \$0.25
 - County rate is up to \$0.70
- The amount of tax must be uniform for each radio access line

Fiscal Year Cap

- Not Applicable

Administration Fee (county tax only)

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012 set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%
- State and county tax proceeds must be deposited in the 911 accounts created in RCW [38.52.540](#) and RCW [82.14B.063](#), respectively

Local Sales & Use Tax Components

Line Code(s)

- Wireless = 794 and 796

Use of funds

- Funds must be used solely for the emergency services communication system

Other Rules

- The county must provide notice of the tax at least 60 days in advance of the date on which the first payment is due
- Counties imposing a 911 excise tax must provide an annual update to the 911 coordinator detailing how much they spent on efforts to modernize their existing 911 system and their 911 operational costs
- Expenditures from the county 911 excise tax account may be used only for distribution to counties imposing the 911 excise tax. Only the director of the department or his or her designee may authorize expenditures from the account

Other Information

- The department began administering the 911 county tax on January 1, 2011
- Counties that previously collected 911 taxes allowed businesses to credit administrative costs against 911 taxes collected

Local Sales & Use Tax Components

Component Name:	911 Voice Over Internet Protocol (VOIP)
Revised Code of WA (RCW):	82.14B.030
Date Legislation Enacted:	1998
Date Last Modified:	2022
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- The State imposes a 911 excise tax to fund emergency communication services
- Counties may levy a 911 excise tax to fund emergency communication services

Taxing Authorities

- The State
- Counties

Tax Base

- This tax applies to the use of interconnected voice over internet protocol (VOIP) service lines on an account that are capable of simultaneous unrestricted outward calling to the public switched telephone network
- This tax is not subject to taxes imposed under [chapter 82.08](#), [82.12](#) or [82.14](#) RCW

Tax Rate

- Per number of VOIP service lines per month:
 - State rate is up to \$0.25
 - County rate is up to \$0.70
- The amount of tax must be uniform for each interconnected VOIP service line

Fiscal Year Cap

- Not Applicable

Administration Fee (county tax only)

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 1%

Distribution

- Taxing authority receives 100%
- State and county tax proceeds must be deposited in the 911 accounts created in RCW [38.52.540](#) and RCW [82.14B.063](#), respectively

Line Code(s)

- Wireless = 795

Use of funds

- Funds must be used solely for the emergency services communication system

Local Sales & Use Tax Components

Other Rules

- The interconnected VOIP service company must use the primary place of use of the subscriber to determine which county's 911 excise tax applies to the service provided to the subscriber
- When a local exchange carrier and an interconnected VOIP company contractually provide a single service line, only one service company is responsible for remitting the 911 excise taxes
- Nothing in the law precludes service companies who jointly provide service from agreeing by contract which of them shall remit the taxes collected
- Counties imposing a 911 excise tax must provide an annual update to the 911 coordinator detailing how much they spent on efforts to modernize their existing 911 system and their 911 operational costs

Other Information

- The department began administering 911 county taxes on January 1, 2011

Local Sales & Use Tax Components

Component Name:	Brokered Natural Gas
Revised Code of WA (RCW):	82.14.230
Date Legislation Enacted:	1989
Date Last Modified:	2014
Statutory Expiration Date:	None
Imposed by:	Legislative authority by resolution or ordinance

Description

- A city may levy a basic use tax rate for the privilege of using natural and manufactured gas

Taxing Authorities

- Cities

Tax Base

- This tax applies to the use of natural, or manufactured gas, by a consumer
- The value of the gasses does not include transportation costs if the amounts are subject to the municipal utility tax
- Exception: the tax does not apply if the person who sold the gas to the consumer paid tax under the municipal utility tax imposed under RCW [35.21.870](#)
- Exception: Effective July 1, 2015, the tax does not apply where a consumer uses the gas as a transportation fuel
- Exception: Effective July 1, 2017, the tax does not apply to silicon smelters

Tax Rate

- Up to rate authorized in RCW [35.21.870](#) (as of October 1, 2012 the rate is 0.06)
- Must be equal to the municipal utility tax per RCW [35.21.870](#)
- Credits against the tax imposed are equal to:
 - Any gross receipts taxes paid to another municipality or other local unit of government that are similar to that imposed under RCW [35.21.870](#) paid by the person who sold the gas
 - Any use tax paid to another municipality or other unit of local government which is similar to the tax imposed under RCW [82.14.230](#) paid by the consumer

Fiscal Year Cap

- Not Applicable

Administration Fee

- Statutorily up to 2% of the taxes collected
- As of October 1, 2012, set by contract agreement with each entity
 - Administration fee is 2%

Distribution

- Taxing authority receives 100%

Line Code(s)

- 141

Local Sales & Use Tax Components

Use of funds

- No restrictions in statute

Other Rules

- Local distribution companies are required to report quarterly to the department as outlined in WAC [458-20-17902](#)

Other Information

- Was added to the Excise Tax System July 1, 2009
- Cities are allowed to set tax threshold amounts within the resolution or ordinance