

2016 Descriptive Statistics For Tax Incentive Programs

Covering Calendar Year 2015 Activity



Descriptive Statistics - Overview

Descriptive Statistics

The descriptive statistics visualization summarizes information from annual surveys and reports completed by taxpayers who participated in tax incentive programs during the previous calendar year. This visualization is prepared in accordance with Revised Code of Washington (RCW) 82.32.534 and 82.32.585 to provide accountability and a means to evaluate program effectiveness. These statutes require the Department of Revenue (Department) to summarize survey and report information annually and by category. A category must contain *at least three taxpayers* in order to be part of this summary. Categories with **less than three are not disclosable**. The Department made a concerted effort to notify known participants, including sending reminders and direct contacts with firms. The statutory reporting schedule allows limited time to complete auditing and verification of the data reported. The data summarized represents information reported by participants with corrections made in the time available.

Understanding the Data

- Employment data on annual surveys reflect the firm's total Washington employment. This is different from annual reports, which allow participants to provide employment data by site or all Washington sites collectively. Once a firm selects "All Washington" to report their employment details, they cannot submit data by site for future reporting.
- Firms may claim multiple incentives as long as they qualify. The employment data is not separated by incentive, therefore adding employment from multiple incentives may result overstated figures.
- With report incentives, out-of-state firms may not be included in total firm counts, if they did not have employees in Washington.
- Previously, tax savings for the agricultural B&O tax exemptions were based on the tax rate of .00138. Starting this year, for 2015 calendar year activity, the tax savings is calculated based on the tax rate of .00484.

Public Disclosure Reports

The Department publishes on its website the annual reports and surveys submitted by participants. The information contained in the annual report is disclosable to the public. It is mostly employee wage and benefits data and does not include the dollar value of the tax preference claimed. The annual survey contains the dollar value of the tax preference claimed in addition to employee wage and benefit data. However, only the dollar value of the tax preference is publicly disclosable. A business may ask the amount not be disclosed if it is less than \$10,000.

All information is originally supplied by the business and has not necessarily been verified by the Department through audit or other direct examination of the business's books and records

The information contained in some of the surveys and reports may change each time the data is published as the Department reviews and validates the submitted information. Starting in 2017, it is the Department's intent to publish this information three times per year as follows:

- June 30 for surveys submitted by the May 31 deadline.
- September 30 to include surveys submitted during an approved 90-day extension period.
- December 31 to coincide with the publication of the annual Descriptive Statistics for Select Tax Incentives.

Annual reports and surveys publicly disclosed can be found at:

<https://fortress.wa.gov/dor/efile/MyAccount/TaxIncentivePublicDisclosure/>

Descriptive statistics data may not match the data reported in the Public Disclosure Reports. This is due to data in the Public Disclosure reports being refreshed three times a year whereas the descriptive statistics reflect the data published December 31st.

Overview of tax incentives by major industry for calendar year 2015

Industry	Major industry	# Firms	Total jobs	Tax savings
Aerospace	Aerospace manufacturing (report)	260	107,305	\$0
	Aerospace non-manufacturing (report)	92	4,245	\$0
	Aircraft repairs (FAR Part 145) (report)	33	4,068	\$0
	Aircraft repairs (FAR Part 145) (survey)	35	4,049	\$646,218
	B&O credit, preproduction expenditures (survey)	63	86,521	\$109,150,805
	B&O credit, prop. & leasehold taxes (survey)	25	87,096	\$37,918,695
	B&O rate reduction, manufacturers (survey)	325	107,247	\$122,675,165
	B&O rate reduction, product dev. (survey)	91	3,935	\$1,156,886
	Exemption sales and use tax, equipments (survey)	8	80,281	\$3,108,455
	Exemption sales and use tax, manufacturing site (survey)	0	0	\$0
	Exemption, leasehold tax superefficient airplanes (survey)	0	0	\$0
	Exemption, property tax superefficient airplanes (survey)	0	0	\$0
	Agricultural products	B&O exemption, dairy products	16	4,200
B&O exemption, fruit/vegetables		227	13,255	\$16,779,705
B&O exemption, seafood products		39	3,469	\$3,603,314
Hazardous substance exemption, agricultural crop protection		4	536	\$102,870
Sales tax deferral, processing facilities		63	16,028	\$34,047,844
High tech & computing	Sales tax deferral, biotech mfg.	10	1,960	\$6,186,692
	Sales tax deferral, high tech R&D	104	155,556	\$331,799,363
	Sales tax exemption, data centers (report)	17	79,902	\$0
	Sales tax exemption, data centers (survey)	17	138,555	\$29,435,942
	Semi-conductor industry	0	0	\$0
Other manufacturing	Aluminum smelting	0	0	\$0
	B&O rate reduction, newspapers	93	43,419	\$0
	B&O rate reduction, solar energy systems	7	516	\$420,024
	B&O reduction, timber/wood products	700	18,208	\$12,231,691

Overview of tax incentives by major industry for calendar year 2015

Industry	Major industry	# Firms	Total jobs	Tax savings
Other manufacturing	Sales tax deferral, rural/qualifying counties	216	32,536	\$69,179,700
	Solar energy systems (survey, sales/use tax exemption)	0	0	\$0
Other programs	B&O credit, workforce training	5	1,180	\$35,761
	B&O deduction, mental/chemical health services	9	3,045	\$0
	Energy for electrolyte processors	0	0	\$0
	Sales tax deferral, corp. headquarters	0	0	\$0
	Sales tax exemption, hog fuel	19	4,867	\$2,913,476
	Sales tax exemption, public research institutions	3	47,994	\$5,092,348
	Sales tax exemption, renewable energy sys.	84	345	\$383,474

Note: For columns with zeros, the data might be non-discloseable, not utilized or not reported. For annual report incentives, the tax savings will be zero because this amount is not included on the report.

Important: Not all tax preferences require businesses to file a survey or report. There are close to 700 incentives available in Washington state. The 2016 Exemption Study provides a comprehensive look at each incentive and can be found at:

http://dor.wa.gov/content/aboutus/statisticsandreports/2016/Tax_Exemptions_2016/Default.aspx

The Department continues to utilize data visualization software to allow users to review the data in a simple manner. To see the entire visualization, click on this link:

http://dor.wa.gov/content/aboutus/statisticsandreports/Stats_Descriptive_Data_Visualization.aspx

Descriptive Statistics - Highlights

34 tax incentives required an annual survey or report for activity in 2015.

Most participants in 2015

- 700 firms utilized the timber industry reduced business and occupation (B&O) tax rate;
- 325 firms utilized the aerospace manufacturing reduced B&O tax rate;
- 227 firms utilized the fruit and vegetable B&O tax exemption; and
- 177 firms utilized the rural county sales & use tax deferral.

Largest cumulative revenue impact for survey incentives

- \$332 million tax saved using the high technology sales & use tax deferral *(Note: This figure is not a one-year amount, but rather the total deferred amount which is spread over an eight-year deferral period.)*
- \$123 million tax saved using the aerospace manufacturing reduced B&O rate

Incentives not utilized in 2015

- Corporate headquarters facilities sales & use tax deferral;
- Aerospace leasehold excise tax exemption for superefficient airplane manufacturers;
- Aerospace personal property tax exemption for superefficient airplane manufacturers
- Aluminum smelters use tax exemption for compressed/liquefied natural gas

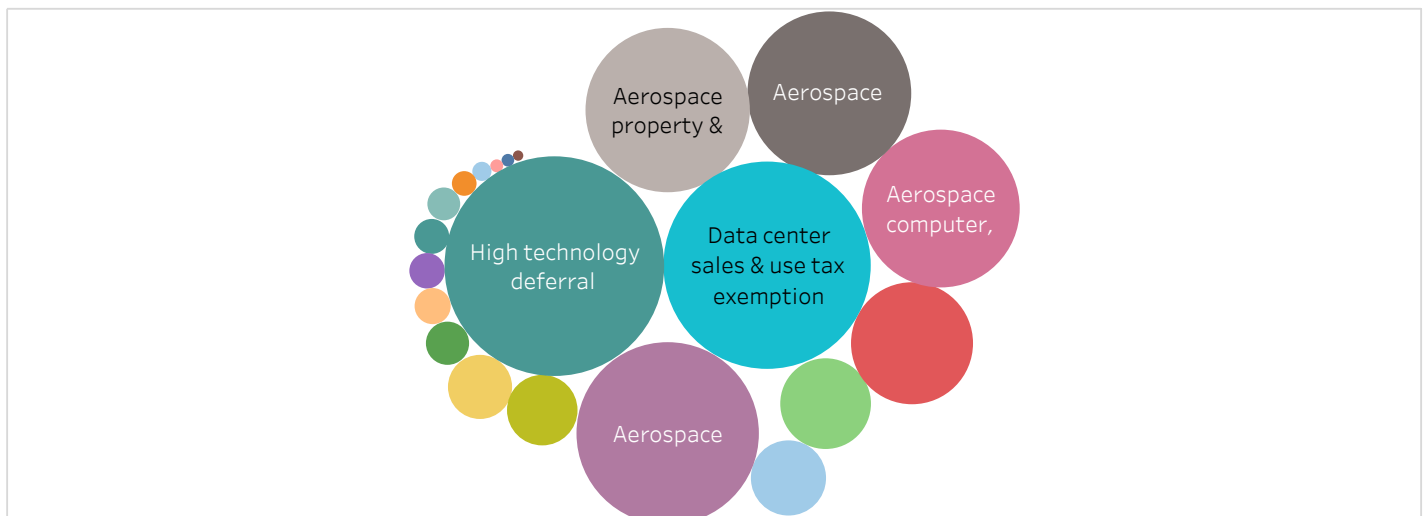
Incentives - Nondisclosable (Survey)

- Solar energy systems manufacturers or processors sales & use tax exemption
- Semiconductor sales & use tax exemption
- Aerospace manufacturing site sales & use tax exemption
- Aluminum smelters property tax B&O tax credit
- Aluminum smelters sales & use tax credit
- Aluminum smelters reduced B&O tax rate

Incentives - Nondisclosable (Report)

- Aluminum smelter tax incentives
- Electrolytic processing industry tax incentive
- Semiconductor cluster industries

Total Washington employees by incentive



Survey Data - Employment for incentives

Employment details

Businesses claiming an incentive requiring an annual survey, must submit the total number of employment positions with a breakdown by full-time, part-time or temporary. The chart below shows the employment status by incentive.

Percent of full-time, part-time and temporary jobs by incentive*

Chart does not include incentives with non-disclosable data or that have not been used

** Percent totals may not agree due to rounding.*

Incentive name	Job status		
	Full-time	Part-time	Temporary
Aerospace computer, software, and peripherals sales & use tax exemption	99.8%	0.2%	0.0%
Aerospace manufacturers reduced B&O tax rates	98.9%	0.5%	0.6%
Aerospace preproduction expenditures B&O tax credit	99.5%	0.3%	0.2%
Aerospace product development reduced B&O tax rate	69.8%	1.1%	29.1%
Aerospace property & leasehold excise taxes B&O tax credit	99.6%	0.2%	0.2%
Agricultural and cold storage deferral	85.9%	6.1%	8.0%
Agricultural crop protection products	97.6%	2.2%	0.2%
Biotechnology manufacturing deferrals	96.8%	1.3%	2.0%
Customized employee training credit	94.5%	1.9%	4.1%
Dairy products B&O tax deduction	93.9%	1.4%	4.7%
Data center sales & use tax exemption	95.8%	3.4%	0.8%
Fruit and vegetable B&O tax exemption	84.5%	10.6%	4.8%
High technology deferral	84.4%	9.0%	6.6%
High unemployment deferral	93.9%	4.3%	1.8%
Hog fuel sales & use tax exemption	99.1%	0.3%	0.6%
Public research universities machinery & equipment sales & use tax exemption	62.9%	20.3%	16.8%
Reduced B&O tax rate for part 145 repair station	98.3%	0.7%	1.0%
Renewable energy sales & use tax exemption	70.8%	5.7%	23.3%
Rural county deferral	93.8%	3.3%	3.0%
Seafood products B&O tax exemptions	76.0%	7.8%	16.2%
Solar energy systems reduced B&O rate	98.6%	1.3%	0.2%
Timber and wood products reduced B&O rate	94.6%	3.9%	1.5%

Survey Data - Wages for incentives

Wage details

Survey participants complete information about the number of employment positions by specified wage bands; and medical, dental and retirement benefits. This chart shows the percent of employees receiving a particular annual wage.

Percent of employees within wage band

Chart does not include incentives with non-disclosable data or that have not been used

Incentive name	Annual wages		
	Less than \$30,000	\$30,000 - \$59,999	\$60,000 or more
Aerospace computer, software, and peripherals sales & use tax exemption	0.4%	18.4%	81.2%
Aerospace manufacturers reduced B&O tax rates	4.8%	27.1%	68.1%
Aerospace preproduction expenditures B&O tax credit	1.3%	20.4%	78.3%
Aerospace product development reduced B&O tax rate	17.3%	36.3%	46.4%
Aerospace property & leasehold excise taxes B&O tax credit	1.7%	22.2%	76.1%
Agricultural and cold storage deferral	49.8%	37.6%	12.7%
Agricultural crop protection products	13.6%	55.0%	31.3%
Biotechnology manufacturing deferrals	2.3%	40.9%	56.8%
Customized employee training credit	26.5%	50.1%	23.4%
Dairy products B&O tax deduction	14.9%	61.1%	24.0%
Data center sales & use tax exemption	4.5%	15.4%	80.1%
Fruit and vegetable B&O tax exemption	37.0%	48.4%	14.6%
High technology deferral	13.5%	18.1%	68.4%
High unemployment deferral	27.4%	48.1%	24.5%
Hog fuel sales & use tax exemption	1.3%	55.2%	43.5%
Public research universities machinery & equipment sales & use tax exemption	34.2%	31.2%	34.6%
Reduced B&O tax rate for part 145 repair station	6.9%	51.3%	41.8%
Renewable energy sales & use tax exemption	29.9%	27.0%	43.2%
Rural county deferral	20.5%	50.2%	29.3%
Seafood products B&O tax exemptions	39.8%	43.0%	17.1%
Solar energy systems reduced B&O rate	12.0%	25.6%	62.4%
Timber and wood products reduced B&O rate	14.9%	52.1%	33.0%

Survey Data - Specific incentive details

Incentive Name

Aerospace Computer, Software, and Peripherals Sales & Use Tax Exemption

Aerospace Computer, Software, and Peripherals Sales & Use Tax Exemption - Revised Code of Washington (RCW) and incentive description

[RCW 82.08.975, 82.12.975](#)

Computer hardware, peripherals, and software used primarily to develop, design, or engineer aerospace products or provide aerospace services, are exempt from retail sales and use tax. A charge for labor and services rendered in respect to the installation of the equipment is also exempt. This exemption expires July 1, 2040.

Aerospace Computer, Software, and Peripherals Sales & Use Tax Exemption - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$20,056	3	58	100.0%	0.0%	0.0%
50 or Over	\$3,088,399	5	80,223	99.8%	0.2%	0.0%
Total	\$3,108,455	8	80,281	99.8%	0.2%	0.0%

Aerospace Computer, Software, and Peripherals Sales & Use Tax Exemption - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Retirement	Dental	Medical
Less than \$30,000	351	338	335	333
\$30,000 - \$59,999	14,768	14,753	14,121	14,071
\$60,000 or more	65,162	65,097	64,548	64,507
Total	80,281	80,188	79,004	78,911

Survey Data - Specific incentive details

Incentive Name
Aerospace Manufacturers Reduced B&O Tax Rates

Aerospace Manufacturers Reduced B&O Tax Rates - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.260](#)

Manufacturers of commercial airplanes or components of commercial airplanes, as well as tooling used in the production of commercial aircraft receive a preferential B&O tax rate of 0.2904 percent. The general tax rate for manufacturing is 0.484 percent. This preferential rate expires July 1, 2040.

Aerospace Manufacturers Reduced B&O Tax Rates - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$3,045,603	217	2,180	94.2%	5.0%	0.9%
50 to 250	\$4,142,595	76	8,965	96.0%	1.9%	2.1%
Over 250	\$115,486,966	32	96,102	99.3%	0.2%	0.5%
Total	\$122,675,165	325	107,247	98.9%	0.5%	0.6%

Aerospace Manufacturers Reduced B&O Tax Rates - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	5,135	3,620	3,472	2,562
\$30,000 - \$59,999	29,071	26,122	26,098	25,044
\$60,000 or more	73,041	71,420	71,368	71,618
Total	107,247	101,162	100,938	99,224

Survey Data - Specific incentive details

Incentive Name

Aerospace Preproduction Expenditures B&O Tax Credit

Aerospace Preproduction Expenditures B&O Tax Credit - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.4461](#)

Businesses engaged in aerospace product development are eligible for a B&O tax credit equal to 1.5 percent of qualified expenditures. Qualified expenditures include research, design and engineering costs incurred in the development of aerospace products but do not include actual production-related costs. Commercial airplane and component manufacturers are eligible for the credit on expenditures incurred after December 1, 2003. Other persons are eligible for the credit on expenditures incurred after June 30, 2008. This credit expires July 1, 2040.

Aerospace Preproduction Expenditures B&O Tax Credit - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$482,194	40	385	92.9%	6.7%	0.5%
50 to 250	\$833,151	12	1,566	97.3%	1.0%	1.8%
Over 250	\$107,835,460	11	84,570	99.6%	0.2%	0.2%
Total	\$109,150,805	63	86,521	99.5%	0.3%	0.2%

Aerospace Preproduction Expenditures B&O Tax Credit - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Retirement	Medical	Dental
Less than \$30,000	1,095	847	951	916
\$30,000 - \$59,999	17,641	16,978	16,540	16,420
\$60,000 or more	67,785	67,347	66,820	66,765
Total	86,521	85,172	84,311	84,101

Survey Data - Specific incentive details

Incentive Name

Aerospace Product Development Reduced B&O Tax Rate

Aerospace Product Development Reduced B&O Tax Rate - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.290](#)

Firms that develop aerospace products for others pay a preferential B&O tax rate of 0.9 percent, as compared to the general services rate of 1.5 percent. The preferential rate expires on July 1, 2040.

Aerospace Product Development Reduced B&O Tax Rate - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$550,627	80	551	92.3%	6.2%	1.4%
50 to 250	\$329,909	7	781	98.4%	0.6%	1.2%
Over 250	\$276,350	4	2,603	56.5%	0.2%	43.3%
Total	\$1,156,886	91	3,935	69.8%	1.1%	29.1%

Aerospace Product Development Reduced B&O Tax Rate - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Retirement	Dental
Less than \$30,000	679	88	133	81
\$30,000 - \$59,999	1,430	805	857	757
\$60,000 or more	1,826	1,456	1,292	1,314
Total	3,935	2,349	2,282	2,152

Survey Data - Specific incentive details

Incentive name
Aerospace property & leasehold excise taxes B&O tax credit

Aerospace property & leasehold excise taxes B&O tax credit - Revised Code of Washington (RCW) and incentive description

RCW 82.04.4463

Manufacturers of commercial airplanes or commercial airplane components qualify for a B&O tax credit for state and local property taxes paid on land and buildings constructed after December 1, 2003, used exclusively to manufacture commercial airplanes or components. The credit is also available for leasehold excise taxes paid on land and buildings constructed after January 1, 2006 used exclusively for the same purposes.

Eligible property taxes include taxes paid on:

- new structures and the land beneath them;
- increased value due to facility renovation or expansion; and
- manufacturing machinery and equipment.

Manufacturers of tooling specifically designed for use in manufacturing commercial airplanes, persons providing aerospace product development, and persons providing aerospace services qualify for a B&O tax credit for state and local property or leasehold excise taxes paid on land and buildings constructed after June 30, 2008.

Eligible property taxes include taxes paid on:

- new structures and the land beneath them;
- increased value due to facility renovation or expansion;
- manufacturing machinery and equipment; and
- computer hardware, peripherals and software.

This credit expires July 1, 2040. Purpose Encourages a new assembly plant

Aerospace property & leasehold excise taxes B&O tax credit - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming..	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$8,800	3	75	91.9%	8.7%	0.0%
50 - 250	\$630,796	9	1,048	99.8%	0.2%	0.0%
Over 250	\$37,279,099	13	85,973	99.6%	0.2%	0.2%
Total	\$37,918,695	25	87,096	99.6%	0.2%	0.2%

Aerospace property & leasehold excise taxes B&O tax credit - Benefits and number of employees

Annual wages	Total WA employment by ..	Benefit type		
		Retirement	Medical	Dental
Less than \$30,000	1,511	1,121	1,325	1,216
\$30,000 - \$59,999	19,334	18,071	18,219	18,158
\$60,000 or more	66,251	65,987	65,466	65,513
Total	87,096	85,179	85,010	84,887

Survey Data - Specific incentive details

Incentive Name
Agricultural and Cold Storage Deferral

Agricultural and Cold Storage Deferral - Revised Code of Washington (RCW) and incentive description

RCW 82.74

Deferral and waiver of retail sales/use taxes on investment projects for firms that process fresh fruit and vegetables, operate cold storage warehouses for storing such product, engage in R&D activities related to processing of such products, or manufacture dairy products or seafood products. The deferral applies to construction or expansion of eligible facilities or acquisition of new equipment. New applications accepted under this deferral expired on July 1, 2012.

Agricultural and Cold Storage Deferral - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 250	\$21,334,273	42	2,507	77.4%	8.6%	13.9%
250 or Over	\$12,713,571	21	13,521	87.4%	5.7%	6.9%
Total	\$34,047,844	63	16,028	85.9%	6.1%	8.0%

Agricultural and Cold Storage Deferral - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	7,977	2,310	1,555	1,443
\$30,000 - \$59,999	6,019	4,845	4,148	3,378
\$60,000 or more	2,032	1,921	1,775	1,746
Total	16,028	9,076	7,478	6,567

Survey Data - Specific incentive details

Incentive Name
Agricultural Crop Protection Products

Agricultural Crop Protection Products - Revised Code of Washington (RCW) and incentive description

RCW 82.21.040

Pesticides or insecticides that are intended for agricultural crop protection by farmers or certified applicators, and are warehoused in Washington State, or transported to or from the state without being used in the state, and are not packaged, repackaged, or manufactured in the state, are exempt from the state hazardous substance tax. This exemption is effective September 1, 2015.

Agricultural Crop Protection Products - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 600	\$102,870	4	536	97.6%	2.2%	0.2%
Total	\$102,870	4	536	97.6%	2.2%	0.2%

Agricultural Crop Protection Products - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Retirement	Dental	Medical
Less than \$30,000	73	63	40	38
\$30,000 - \$59,999	295	292	246	243
\$60,000 or more	168	166	155	156
Total	536	521	441	437

Survey Data - Specific incentive details

Incentive Name
Biotechnology Manufacturing Deferrals

Biotechnology Manufacturing Deferrals - Revised Code of Washington (RCW) and incentive description

RCW 82.75

Biotechnology product manufacturers and medical device manufacturers are eligible for a deferral of retail sales and use tax on charges for the construction, expansion, or renovation of facilities and purchases of eligible machinery and equipment. The deferral becomes a waiver of the tax if the business maintains qualified business activities for eight years.

The deferral/waiver program expires January 1, 2017.

Biotechnology Manufacturing Deferrals - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Temporary	Part-time
Less than 250	\$1,860,536	6	626	96.6%	2.4%	1.0%
250 or Over	\$4,326,156	4	1,334	96.8%	1.8%	1.4%
Total	\$6,186,692	10	1,960	96.8%	2.0%	1.3%

Biotechnology Manufacturing Deferrals - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Dental	Medical	Retirement
Less than \$30,000	46	31	22	34
\$30,000 - \$59,999	801	710	690	597
\$60,000 or more	1,113	1,064	1,066	867
Total	1,960	1,805	1,778	1,498

Survey Data - Specific incentive details

Incentive Name
Customized Employee Training Credit

Customized Employee Training Credit - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.449](#)

A B&O tax credit is allowed for half of the costs of customized workforce training paid by employers to the State Board for Community Colleges. No credit is allowed after June 30, 2021.

Customized Employee Training Credit - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
More than 5	\$35,761	5	1,180	94.5%	1.9%	4.1%
Total	\$35,761	5	1,180	94.5%	1.9%	4.1%

Customized Employee Training Credit - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	313	225	219	181
\$30,000 - \$59,999	591	525	509	346
\$60,000 or more	276	244	238	187
Total	1,180	994	966	714

Survey Data - Specific incentive details

Incentive Name
Dairy Products B&O Tax Deduction

Dairy Products B&O Tax Deduction - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.4268](#)

Manufacturers and wholesalers of dairy products and by-products are exempt from the manufacturing and wholesaling B&O tax rate of 0.484 percent. This exemption expires July 1, 2025. At that time, income from the manufacture of these items will return to the preferential B&O tax rate classification of 0.138 percent.

Dairy Products B&O Tax Deduction - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$171,207	9	125	85.5%	14.5%	0.0%
50 or more	\$4,224,492	7	4,075	94.2%	1.0%	4.8%
Total	\$4,395,698	16	4,200	93.9%	1.4%	4.7%

Dairy Products B&O Tax Deduction - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	627	260	242	324
\$30,000 - \$59,999	2,565	2,194	2,070	1,485
\$60,000 or more	1,008	968	956	925
Total	4,200	3,422	3,268	2,734

Survey Data - Specific incentive details

Incentive Name
Data Center Sales & Use Tax Exemption

Data Center Sales & Use Tax Exemption - Revised Code of Washington (RCW) and incentive description

RCW 82.08.986, 82.12.986

There is a retail sale and use tax exemption on qualified purchases of eligible server equipment and eligible power infrastructure for data centers that are located in a rural county. The exemption also includes charges for labor and services associated with installation of the equipment and power infrastructure.

Requirements to qualify:

- Facility must meet employment and facility size criteria;
- Facility is located in a rural county as defined in RCW 82.14.370; and
- Commencement of construction must occur:
 - After March 31, 2010, and before July 1, 2011; or
 - After March 31, 2012, and before July 1, 2015; or
 - After June 30, 2015, and before July 1, 2025.

For data centers where the commencement of construction occurs between June 30, 2015 and July 1, 2025, the exemption is limited to:

- Eight data centers between July 1, 2015 and July 1, 2019, and
- A total of twelve through July 1, 2025.

Data Center Sales & Use Tax Exemption - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$5,167,670	9	56	100.0%	0.0%	0.0%
50 to 250	\$13,780,338	3	525	100.0%	0.0%	0.0%
Over 250	\$10,487,934	5	137,974	95.8%	3.4%	0.8%
Total	\$29,435,942	17	138,555	95.8%	3.4%	0.8%

Data Center Sales & Use Tax Exemption - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Dental	Medical	Retirement
Less than \$30,000	6,223	5,695	5,699	5,491
\$30,000 - \$59,999	21,361	20,131	20,094	20,494
\$60,000 or more	110,971	109,725	109,717	107,271
Total	138,555	135,551	135,510	133,256

Survey Data - Specific incentive details

Incentive Name
Fruit and Vegetable B&O Tax Exemption

Fruit and Vegetable B&O Tax Exemption - Revised Code of Washington (RCW) and incentive description

RCW 82.04.4266

Manufacturers and wholesalers (selling for interstate transport) of fruit or vegetable products that are canned, preserved, dehydrated or frozen are exempt from the manufacturing and wholesaling B&O tax rate of 0.484 percent. This exemption expires July 1, 2025. At that time, income from the manufacture of these items will return to the preferential B&O tax rate classification of 0.138 percent.

Fruit and Vegetable B&O Tax Exemption - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$1,771,823	185	1,546	50.6%	43.3%	6.0%
50 - 250	\$3,524,166	29	2,690	84.9%	9.3%	5.7%
Over 250	\$11,483,716	13	9,019	90.2%	5.4%	4.4%
Total	\$16,779,705	227	13,255	84.5%	10.6%	4.8%

Fruit and Vegetable B&O Tax Exemption - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	4,902	1,153	1,080	1,046
\$30,000 - \$59,999	6,415	5,284	5,102	4,122
\$60,000 or more	1,938	1,762	1,649	1,591
Total	13,255	8,199	7,831	6,759

Survey Data - Specific incentive details

Incentive Name
High Technology Deferral

High Technology Deferral - Revised Code of Washington (RCW) and incentive description

RCW 82.63

Businesses engaged in certain high technology research and development activities or pilot scale manufacturing are eligible for a deferral of retail sales and use tax on charges for construction, expansion, or renovation of facilities and purchases of eligible machinery and equipment. The deferral becomes a waiver of the tax if the business maintains qualified business activities for eight years.

The high technology categories are:

- Advanced computing,
- Advanced materials,
- Biotechnology,
- Electronic device technology, or
- Environmental technology.

New applications accepted under this deferral expired on January 1, 2015.

High Technology Deferral - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$3,457,822	30	552	85.6%	13.8%	0.6%
50 - 250	\$26,390,867	37	4,710	93.6%	3.9%	2.6%
Over 250	\$301,950,674	37	150,294	84.1%	9.1%	6.8%
Total	\$331,799,363	104	155,556	84.4%	9.0%	6.6%

High Technology Deferral - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Dental	Medical	Retirement
Less than \$30,000	21,028	6,973	6,522	6,540
\$30,000 - \$59,999	28,098	24,318	23,409	23,949
\$60,000 or more	106,430	101,971	102,323	96,411
Total	155,556	133,262	132,254	126,900

Survey Data - Research and development

Incentive name
High technology deferral

High technology deferral - Number of products or projects

Employment size of firm	Innovations	
	New Products or Processes	New Research Projects
Less than 50	32	139
50 - 250	91	202
Over 250	5,994	9,940
Total	6,117	10,281

High technology deferral - Evidence of innovations

Employment size of firm	Evidence of Innovations		
	Copyrights	Patents	Trademarks
Less than 50	8	40	20
50 - 250	0	191	40
Over 250	58	6,306	77
Total	66	6,537	137

Incentive name
High technology deferral

High technology deferral - Machinery and equipment retail sales and use tax exempted by technology category

Category of high technology	Number of firms claiming incentive	
Advanced computing	35	\$198,867,565
Advanced materials	16	\$15,652,904
Biotechnology	43	\$81,975,069
Electronic devices	33	\$24,483,497
Environmental	11	\$11,076,690
Total	138	\$332,055,723

Survey Data - Specific incentive details

Incentive Name
High Unemployment Deferral

High Unemployment Deferral - Revised Code of Washington (RCW) and incentive description

RCW 82.60

Deferral/exemption of retail sales and use tax for manufacturers investing in qualifying counties. The qualifying county is based on the average county unemployment rate. This deferral expires on July 1, 2020. Certain businesses are eligible for a deferral of retail sales and use tax on charges for the construction, expansion, or renovation of facilities and purchases of eligible machinery and equipment when those projects are located in a county with high unemployment or in a Community Empowerment Zone (CEZ). The deferral becomes a waiver of the tax if the business maintains qualified business activities for eight years.

Eligible business activities include:

- Research and development; and
- Manufacturing - for purposes of this deferral, manufacturing also includes the conditioning of vegetable seeds and activities performed by commercial testing laboratories.

The deferral program expires July 1, 2020.

High Unemployment Deferral - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$1,819,416	14	316	86.5%	12.3%	1.3%
50 - 250	\$6,784,068	19	2,118	96.0%	2.6%	1.4%
Over 250	\$3,464,380	6	3,580	93.3%	4.5%	2.1%
Total	\$12,067,864	39	6,014	93.9%	4.3%	1.8%

High Unemployment Deferral - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	1,646	937	879	850
\$30,000 - \$59,999	2,895	2,498	2,447	2,192
\$60,000 or more	1,473	1,329	1,311	1,127
Total	6,014	4,764	4,637	4,169

Survey Data - Research and development

Incentive name
High unemployment deferral

High unemployment deferral - Number of products or projects

Employment size of firm	Innovations	
	New Products or Processes	New Research Projects
Less than 50	1	0
50 - 250	7	0
Over 250	3	8
Total	11	8

High unemployment deferral - Evidence of innovations

Employment size of firm	Evidence of Innovations		
	Copyrights	Patents	Trademarks
Less than 50	0	0	3
50 - 250	0	4	0
Over 250	0	10	3
Total	0	14	6

Survey Data - Specific incentive details

Incentive name
Hog fuel sales & use tax exemption

Hog fuel sales & use tax exemption - Revised Code of Washington (RCW) and incentive description

[RCW 82.08.956, 82.12.956](#)

Hog fuel used to produce electricity, steam, heat, or biofuel is exempt from retail sales and use taxes. Hog fuel is wood waste and other wood residuals including forest derived biomass, excluding firewood and wood pellets.

This exemption expires June 30, 2024.

Hog fuel sales & use tax exemption - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$463,597	4	52	100.0%	0.0%	0.0%
50 - 250	\$1,072,197	9	1,374	98.5%	1.0%	0.5%
Over 250	\$1,377,681	6	3,441	99.3%	0.0%	0.7%
Total	\$2,913,476	19	4,867	99.1%	0.3%	0.6%

Hog fuel sales & use tax exemption - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Dental	Medical	Retirement
Less than \$30,000	62	24	25	28
\$30,000 - \$59,999	2,687	2,201	2,187	2,098
\$60,000 or more	2,118	1,857	1,854	1,764
Total	4,867	4,082	4,066	3,890

Survey Data - Specific incentive details

Incentive Name
Public Research Universities Machinery & Equipment Sales & Use Tax Exemption

Public Research Universities Machinery & Equipment Sales & Use Tax Exemption - Revised Code of Washington (RCW) and incentive description

[RCW 82.08.025651](#), [82.12.025651](#)

The sale of machinery and equipment used primarily in a research and development operation at public research institutions is exempt from retail sales and use tax.

Qualifying machinery and equipment includes:

- Computer hardware and software,
- Laboratory equipment and instruments,
- Vats, tanks, and fermenters, and
- Equipment used to control, monitor or operate qualifying machinery. Sales and Use tax exemption provided for public research institutions for machinery and equipment used primarily for research.

Public Research Universities Machinery & Equipment Sales & Use Tax Exemption - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
More than 250	\$5,092,348	3	47,994	62.9%	20.3%	16.8%
Total	\$5,092,348	3	47,994	62.9%	20.3%	16.8%

Public Research Universities Machinery & Equipment Sales & Use Tax Exemption - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Dental	Retirement	Medical
Less than \$30,000	16,420	4,498	4,245	3,928
\$30,000 - \$59,999	14,981	13,759	13,280	12,794
\$60,000 or more	16,593	16,472	16,337	15,790
Total	47,994	34,729	33,862	32,512

Survey Data - Research and development

Incentive name

Public research universities machinery & equipment sales & use tax exemption

Public research universities machinery & equipment sales & use tax exemption -
Number of products or projects

Employment size of firm	Innovations	
	New Products or Processes	New Research Projects
More than 250	18	889
Total	18	889

Public research universities machinery & equipment sales & use tax exemption - Evidence of innovations

Employment size of firm	Evidence of Innovations		
	Copyrights	Patents	Trademarks
More than 250	0	113	1
Total	0	113	1

Incentive name

Public research universities machinery & equipment sales & use tax exemption

Public research universities machinery & equipment sales & use tax exemption - Machinery and equipment retail sales and use tax exempted by technology category

Category of high technology	Number of firms claiming incentive	
Advanced computing	3	\$93,114
Advanced materials	3	\$760,608
Biotechnology	3	\$3,478,116
Electronic devices	3	\$189,448
Environmental	3	\$571,062
Total	3	\$5,092,348

Survey Data - Specific incentive details

Incentive Name
Reduced B&O Tax Rate for Part 145 Repair Station

Reduced B&O Tax Rate for Part 145 Repair Station - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.250](#)

Until July 1, 2040, qualified aircraft repair facilities certified by the Federal Aviation Administration as a “FAR part 145” repair facility receive a reduced B&O tax rate of 0.2904 on retail sales and repairs made to airplanes exempt from tax under RCW 82.08.0261, 82.08.0262, or 82.08.0263.

Businesses reporting under this tax rate must file a complete annual report with the Department of Revenue. If there were no special rate, these businesses would be subject to the 0.471 retailing of interstate transportation equipment rate.

Reduced B&O Tax Rate for Part 145 Repair Station - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$115,792	21	289	93.6%	6.0%	0.3%
50 to 250	\$224,249	9	1,053	99.3%	0.7%	0.0%
Over 250	\$306,177	5	2,707	98.4%	0.2%	1.4%
Total	\$646,218	35	4,049	98.3%	0.7%	1.0%

Reduced B&O Tax Rate for Part 145 Repair Station - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Retirement	Dental
Less than \$30,000	280	183	108	161
\$30,000 - \$59,999	2,077	1,644	1,589	1,442
\$60,000 or more	1,692	1,287	1,317	1,239
Total	4,049	3,114	3,014	2,842

Survey Data - Specific incentive details

Incentive Name
Renewable Energy Sales & Use Tax Exemption

Renewable Energy Sales & Use Tax Exemption - Revised Code of Washington (RCW) and incentive description

[RCW 82.08.962, 82.12.962](#)

A sales and use tax exemption is available for machinery and equipment used directly in generating electricity from wind, sun, fuel cells, biomass energy, tidal or wave energy, geothermal resources, anaerobic digestion, technology that converts otherwise lost energy from exhaust, or landfill gas as the principal source of power. In order to qualify for the exemption, the purchaser must use the machinery and equipment to develop a facility capable of generating at least one thousand watts of electricity. The exemption also includes sales of or charges made for installation labor and services of qualifying machinery and equipment.

From July 1, 2009, through June 30, 2011, qualifying purchases were eligible for a 100 percent exemption. Beginning July 1, 2011, through January 1, 2020, qualifying purchases are eligible for a 75 percent exemption in the form of a refund to the purchaser.

The exemption expires January 1, 2020.

Renewable Energy Sales & Use Tax Exemption - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 10	\$302,364	78	8	100.0%	0.0%	0.0%
10 or Over	\$81,111	6	337	70.1%	5.8%	23.8%
Total	\$383,474	84	345	70.8%	5.7%	23.3%

Renewable Energy Sales & Use Tax Exemption - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	103	13	13	16
\$30,000 - \$59,999	93	88	86	74
\$60,000 or more	149	144	144	137
Total	345	245	243	227

Survey Data - Specific incentive details

Incentive Name
Rural County Deferral

Rural County Deferral - Revised Code of Washington (RCW) and incentive description

RCW 82.60

Deferral/exemption of retail sales and use tax for manufacturers investing in qualifying counties. The qualifying county was based on the population density of an average of less than 100 residents per square mile or whether the county contained a Community Empowerment Zone. The deferral becomes a waiver of the tax if the business maintains qualified business activities for eight years.

Eligible business activities include:

- Research and development; and
- Manufacturing - for purposes of this deferral, manufacturing also includes the conditioning of vegetable seeds and activities performed by commercial testing laboratories.

New applications accepted under this deferral program expired July 1, 2010.

Rural County Deferral - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$17,411,374	96	1,692	77.6%	18.5%	3.9%
50 - 250	\$18,092,789	55	6,104	93.2%	3.0%	3.9%
Over 250	\$21,607,673	26	18,726	95.4%	2.0%	2.6%
Total	\$57,111,836	177	26,522	93.8%	3.3%	3.0%

Rural County Deferral - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	5,439	2,711	2,525	2,122
\$30,000 - \$59,999	13,303	11,026	10,804	9,142
\$60,000 or more	7,780	7,274	7,153	6,783
Total	26,522	21,011	20,482	18,047

Survey Data - Research and development

Incentive name
Rural county deferral

Rural county deferral - Number of products or projects

Employment size of firm	Innovations	
	New Products or Processes	New Research Projects
Less than 50	115	3
50 - 250	70	11
Over 250	267	570
Total	452	584

Rural county deferral - Evidence of innovations

Employment size of firm	Evidence of Innovations		
	Copyrights	Patents	Trademarks
Less than 50	0	0	3
50 - 250	0	0	24
Over 250	0	23	16
Total	0	23	43

Survey Data - Specific incentive details

Incentive Name
Seafood Products B&O Tax Exemptions

Seafood Products B&O Tax Exemptions - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.4269](#)

Manufacturers of seafood products that remain in a raw, raw frozen or raw salted state at the completion of the manufacturing process are exempt from manufacturing B&O tax of 0.484 percent. Sellers of manufactured seafood products that remain in a raw, raw frozen or raw salted state at the completion of the manufacturing to purchasers who transport the seafood products out of this state are also exempt from the wholesale B&O tax rate of 0.484. This exemption expires July 1, 2025. At that time, income from the manufacture of these items will return to the preferential B&O tax rate classification of 0.138 percent.

Seafood Products B&O Tax Exemptions - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$1,039,504	29	450	54.0%	39.3%	6.6%
50 or more	\$2,563,810	10	3,019	79.3%	3.1%	17.6%
Total	\$3,603,314	39	3,469	76.0%	7.8%	16.2%

Seafood Products B&O Tax Exemptions - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	1,382	506	451	243
\$30,000 - \$59,999	1,493	866	816	584
\$60,000 or more	594	497	465	350
Total	3,469	1,869	1,732	1,177

Survey Data - Specific incentive details

Incentive Name
Solar Energy Systems Reduced B&O Rate

Solar Energy Systems Reduced B&O Rate - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.294](#)

The B&O tax rate on manufacturing of solar energy systems or the production of silicon components of these systems is 0.275 percent until June 30, 2017. If there were no special rate, the manufacturing rate would be 0.484 percent.

Solar Energy Systems Reduced B&O Rate - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 10	\$12,544	4	12	75.3%	16.5%	8.3%
10 or Over	\$407,480	3	504	99.1%	0.9%	0.0%
Total	\$420,024	7	516	98.6%	1.3%	0.2%

Solar Energy Systems Reduced B&O Rate - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	62	20	5	0
\$30,000 - \$59,999	132	117	107	97
\$60,000 or more	322	306	306	307
Total	516	443	418	404

Survey Data - Specific incentive details

Incentive Name

Timber and Wood Products Reduced B&O Rate

Timber and Wood Products Reduced B&O Rate - Revised Code of Washington (RCW) and incentive description

[RCW 82.04.260\(12\)](#)

Persons extracting or manufacturing timber and selling timber and wood products at wholesale receive a preferential B&O tax rate of 0.2904 percent (.3424 after including .052 surcharge to finance riparian habitat). Previously these activities were subject to a B&O tax rate of 0.484 percent. This preferential tax rate expires July 1, 2024.

Timber and Wood Products Reduced B&O Rate - Number of employees, employment status, and incentive claimed

Employment size of firm	Incentive claimed	Number of firms claiming incentive	Total WA employment	Job status		
				Full-time	Part-time	Temporary
Less than 50	\$3,104,163	630	3,374	85.3%	12.1%	2.6%
50 - 250	\$2,692,167	52	5,876	94.9%	3.4%	1.8%
Over 250	\$6,435,361	18	8,958	97.9%	1.2%	0.9%
Total	\$12,231,691	700	18,208	94.6%	3.9%	1.5%

Timber and Wood Products Reduced B&O Rate - Benefits and number of employees

Annual wages	Total WA employment by annual wages	Benefit type		
		Medical	Dental	Retirement
Less than \$30,000	2,704	1,062	954	799
\$30,000 - \$59,999	9,494	6,782	6,288	6,101
\$60,000 or more	6,010	5,154	4,949	4,852
Total	18,208	12,998	12,191	11,752

Report Data - Employment by incentives

Employment details

Firms claiming an incentive requiring an annual report, must submit the total number of employment positions with a breakdown by full-time, part-time or temporary.

Employment status by incentives*

Chart does not include incentives with non-disclosable data or that have not been used

** Percent totals may not agree due to rounding.*

Incentives	Number of firms claiming incentive	Employment status		
		Full-time	Part-time	Temporary
Aerospace FAR part 145 repair station	33	98.4%	0.7%	0.9%
Aerospace manufacturing industry	260	98.9%	0.5%	0.6%
Aerospace non-manufacturing industry	92	95.2%	1.9%	2.9%
Data center sales & use tax exemption	17	99.8%	0.2%	0.0%
Government funded mental health services deduction	9	80.6%	15.0%	4.4%
Newspaper industry incentive	93	27.1%	72.4%	0.5%

Percent of employees by occupational class and incentives

Occupational class	Incentives					
	Aerospace non-manufacturing industry	Newspaper industry incentive	Aerospace FAR part 145 repair station	Aerospace manufacturing industry	Data center sales & use tax exemption	Government funded mental health services deduction
Business, financial and legal operations	2.5%	0.4%	3.9%	7.2%	8.9%	8.2%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	35.4%
Computer, mathematical, architecture, ..	45.4%	0.3%	17.6%	21.6%	24.4%	5.4%
Construction and extraction	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.3%	0.1%	0.2%	0.3%	0.4%
Healthcare practitioners, technical, and ..	0.4%	4.7%	0.0%	0.1%	0.1%	16.5%
Installation, maintenance, and repair	17.2%	0.7%	28.1%	4.0%	4.0%	0.1%
Life, physical, and social services	0.0%	0.0%	0.0%	0.2%	0.2%	0.7%
Management	7.6%	5.8%	10.1%	8.5%	9.2%	10.4%
Office and administrative support	8.2%	4.3%	9.8%	5.8%	4.8%	16.6%
Other (forest, fishery, agriculture, milit..	1.0%	1.3%	1.0%	6.8%	8.9%	4.2%
Production, non-construction trades an..	16.2%	5.2%	25.8%	41.4%	34.9%	0.0%
Protective services, building, and groun..	0.1%	0.1%	0.3%	1.5%	1.9%	0.6%
Sales and service	0.7%	68.1%	1.9%	1.0%	0.6%	1.6%
Transportation and material moving	0.6%	8.8%	1.4%	1.7%	1.8%	0.0%

Report Data - Wages and benefits for incentives



Wage and Benefit Details

Each report participant was required to submit details regarding the number of employment positions by specified hourly wages and medical and retirement benefits. The first chart shows the percentage of employees by hourly wage whereas the second chart shows by benefit type.

Percent of employees by incentive and hourly wages*

Chart does not include incentives with non-disclosable data or that have not been used

** Percent totals may not agree due to rounding.*

Incentives		Hourly wage				
		Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Aerospace FAR part 145 repair station	Percent	0.1%	9.4%	21.0%	30.9%	38.7%
	Count	2	383	854	1,256	1,573
Aerospace manufacturing industry	Percent	0.2%	5.3%	9.7%	18.3%	66.6%
	Count	194	5,663	10,413	19,619	71,415
Aerospace non-manufacturing industry	Percent	0.1%	7.7%	13.2%	18.6%	60.4%
	Count	3	327	561	791	2,562
Data center sales & use tax exemption	Percent	0.0%	0.8%	4.5%	14.4%	80.3%
	Count	1	613	3,628	11,535	64,125
Government funded mental health services deduction	Percent	1.6%	16.7%	24.0%	24.0%	33.6%
	Count	50	508	730	731	1,022
Newspaper industry incentive	Percent	27.7%	24.3%	34.3%	9.0%	4.7%
	Count	12,017	10,572	14,886	3,891	2,057

Employment benefits by incentives

Chart does not include incentives with non-disclosable data or that have not been used

Incentives	Benefits	
	Medical	Retirement
Aerospace FAR Part 145 Repair Station	98.1%	93.4%
Aerospace Manufacturing Industry	98.2%	96.6%
Aerospace Non-manufacturing Industry	97.2%	92.4%
Data Center Sales & Use Tax Exemption	100.0%	99.9%
Government Funded Mental Health Services Deduction	51.2%	51.2%
Newspaper Industry Incentive	95.8%	83.0%

Report Data - Incentive description

Incentives
Aerospace manufacturing industry

Aerospace manufacturing industry- RCW and Incentive Description

- 82.04.260(11a)** Reduced B&O tax rate for aerospace businesses. This reduced rate is available to manufacturers and processors for hire of commercial airplanes or component parts of commercial airplane.
- 82.04.260(11b)** Reduced B&O tax rate for aerospace businesses. This reduced rate is available to aerospace tooling manufacturers.
- 82.04.4461** B&O tax credit for preproduction development expenditures for manufacturers and processors for hire of commercial airplanes or component parts of commercial airplanes, non-manufacturers engaged in the business of aerospace product development, certificated FAR repair stations making retail sales, and aerospace tooling manufacturers.
- 82.04.4463** B&O tax credit for property and leasehold taxes paid on aerospace business facilities for manufacturers and processors for hire of commercial airplanes or component parts of commercial airplanes, non-manufacturers engaged in the business of aerospace product development, certificated FAR repair stations making retail sales, and aerospace tooling manufacturers.
- 82.08.980, 82.12.980** Retail sales and use tax exemption for the construction of new facilities used to manufacture commercial airplanes, fuselages or wings of commercial airplanes. This credit is available to Manufacturers who construct new buildings and/or new parts of buildings that will be used primarily to manufacture commercial airplanes, commercial airplane fuselages, and commercial airplane wings. Also available to port districts, political subdivisions, or municipal corporations when they construct new facilities to lease to these manufacturers.
- 82.29A.137** Leasehold excise tax exemption on leasehold interests in port district facilities used in manufacturing superefficient airplane.
- 84.36.655** Person property tax exemption available to a lessees of a port district used exclusively in manufacturing superefficient airplanes.

Report Data - Occupational classes

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Incentives
Aerospace manufacturing industry

Aerospace manufacturing industry - Distribution of Employees by Occupation

Occupational class	Number of employees	
Production, non-construction trades and craft	44,425	41.4%
Computer, mathematical, architecture, & engineering	23,158	21.6%
Management	9,116	8.5%
Business, financial and legal operations	7,712	7.2%
Other (forest, fishery, agriculture, military, arts, media)	7,299	6.8%
Office and administrative support	6,189	5.8%
Installation, maintenance, and repair	4,271	4.0%
Transportation and material moving	1,813	1.7%
Protective services, building, and grounds maintenance	1,658	1.5%
Sales and service	1,071	1.0%
Education, training, and library	226	0.2%
Life, physical, and social services	224	0.2%
Healthcare practitioners, technical, and support	137	0.1%
Construction and extraction	6	0.0%
Community and social services	0	0.0%
Total	107,305	

Report Data - Hourly wages for specific incentive

Incentives
Aerospace manufacturing industry

Aerospace manufacturing industry - Distribution of hourly wage by occupation

Occupational class	Hourly wage				
	Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Management	0.0%	0.0%	0.4%	2.7%	96.9%
Business, financial and legal operations	0.0%	0.1%	0.7%	14.6%	84.6%
Computer, mathematical, architecture, & engineering	0.0%	0.1%	0.5%	2.9%	96.4%
Life, physical, and social services	0.0%	0.0%	0.9%	8.5%	90.7%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.4%	4.4%	0.9%	1.7%	92.6%
Healthcare practitioners, technical, and support	0.0%	0.0%	6.6%	28.5%	64.9%
Protective services, building, and grounds maintenance	0.1%	13.7%	14.5%	10.4%	61.3%
Sales and service	0.1%	1.1%	5.3%	18.2%	75.3%
Office and administrative support	0.1%	5.2%	10.8%	33.3%	50.5%
Construction and extraction	0.0%	16.7%	16.7%	66.7%	0.0%
Installation, maintenance, and repair	0.2%	1.9%	2.6%	24.2%	71.0%
Production, non-construction trades and craft	0.4%	10.9%	19.9%	30.0%	38.8%
Transportation and material moving	0.0%	5.6%	10.5%	20.3%	63.6%
Other (forest, fishery, agriculture, military, arts, media)	0.0%	0.5%	0.9%	4.6%	94.0%

Report Data - Incentive description

Incentives

Aerospace non-manufacturing industry

Aerospace Non-manufacturing Industry- RCW and Incentive Description

- 82.04.290(3)** Firms that develop aerospace products for others pay a preferential B&O tax rate of 0.9 percent, as compared to the general services rate of 1.5 percent. The preferential rate expires on July 1, 2040.
- 82.04.4461** B&O tax credit for preproduction development expenditures for manufacturers and processors for hire of commercial airplanes or component parts of commercial airplanes, non-manufacturers engaged in the business of aerospace product development, certificated FAR repair stations making retail sales, and aerospace tooling manufacturers.
- 82.04.4463** B&O tax credit for property and leasehold taxes paid on aerospace business facilities for manufacturers and processors for hire of commercial airplanes or component parts of commercial airplanes, non-manufacturers engaged in the business of aerospace product development, certificated FAR repair stations making retail sales, and aerospace tooling manufacturers.
- 82.08.975, 82.12.975** Computer hardware, peripherals, and software used primarily to develop, design, or engineer aerospace products or provide aerospace services, are exempt from retail sales and use tax. A charge for labor and services rendered in respect to the installation of the equipment is also exempt. This exemption expires July 1, 2040.

Report Data - Occupational classes

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Incentives
Aerospace non-manufacturing industry

Aerospace non-manufacturing industry - Distribution of Employees by Occupation

Occupational class	Number of employees	
Computer, mathematical, architecture, & engineering	1,927	45.4%
Installation, maintenance, and repair	731	17.2%
Production, non-construction trades and craft	687	16.2%
Office and administrative support	349	8.2%
Management	322	7.6%
Business, financial and legal operations	106	2.5%
Other (forest, fishery, agriculture, military, arts, media)	41	1.0%
Sales and service	30	0.7%
Transportation and material moving	25	0.6%
Healthcare practitioners, technical, and support	15	0.4%
Construction and extraction	5	0.1%
Protective services, building, and grounds maintenance	5	0.1%
Education, training, and library	2	0.0%
Community and social services	0	0.0%
Life, physical, and social services	0	0.0%
Total	4,245	

Report Data - Hourly wages for specific incentive

Incentives
Aerospace non-manufacturing industry

Aerospace non-manufacturing industry - Distribution of hourly wage by occupation

Occupational class	Hourly wage				
	Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Management	0.0%	0.9%	0.0%	5.4%	93.7%
Business, financial and legal operations	0.0%	1.9%	2.9%	30.4%	64.8%
Computer, mathematical, architecture, & engineering	0.2%	1.2%	2.1%	8.5%	88.0%
Life, physical, and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	50.0%	0.0%	50.0%
Healthcare practitioners, technical, and support	0.0%	13.0%	0.0%	33.0%	53.0%
Protective services, building, and grounds maintenance	0.0%	0.0%	40.0%	20.0%	40.0%
Sales and service	0.0%	6.7%	0.0%	16.6%	76.7%
Office and administrative support	0.0%	11.4%	31.7%	30.1%	26.8%
Construction and extraction	0.0%	40.0%	20.0%	40.0%	0.0%
Installation, maintenance, and repair	0.0%	13.0%	21.1%	42.6%	23.4%
Production, non-construction trades and craft	0.0%	22.1%	35.0%	19.6%	23.3%
Transportation and material moving	0.0%	24.0%	32.0%	36.0%	8.0%
Other (forest, fishery, agriculture, military, arts, media)	0.0%	0.0%	2.2%	12.1%	85.7%

Report Data - Incentive description

Incentives

Aerospace FAR part 145 repair station

Aerospace FAR Part 145 Repair Station- RCW and Incentive Description

82.04.250

Until July 1, 2040, qualified aircraft repair facilities certified by the Federal Aviation Administration as a "FAR part 145" repair facility receive a reduced B&O tax rate of 0.2904 on retail sales and repairs made to airplanes exempt from tax under RCW 82.08.0261, 82.08.0262, or 82.08.0263.

Businesses reporting under this tax rate must file a complete annual report with the Department of Revenue. If there were no special rate, these businesses would be subject to the 0.471 retailing of interstate transportation equipment rate.

Report Data - Occupational classes

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Incentives
Aerospace FAR part 145 repair station

Aerospace FAR part 145 repair station - Distribution of Employees by Occupation

Occupational class	Number of employees	
Installation, maintenance, and repair	1,143	28.1%
Production, non-construction trades and craft	1,049	25.8%
Computer, mathematical, architecture, & engineering	715	17.6%
Management	410	10.1%
Office and administrative support	397	9.8%
Business, financial and legal operations	160	3.9%
Sales and service	78	1.9%
Transportation and material moving	58	1.4%
Other (forest, fishery, agriculture, military, arts, media)	40	1.0%
Protective services, building, and grounds maintenance	13	0.3%
Education, training, and library	5	0.1%
Community and social services	0	0.0%
Construction and extraction	0	0.0%
Healthcare practitioners, technical, and support	0	0.0%
Life, physical, and social services	0	0.0%
Total	4,068	

Report Data - Hourly wages for specific incentive

Incentives
Aerospace FAR part 145 repair station

Aerospace FAR part 145 repair station - Distribution of hourly wage by occupation

Occupational class	Hourly wage				
	Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Management	0.0%	0.0%	0.2%	8.3%	91.5%
Business, financial and legal operations	0.0%	1.3%	3.6%	27.5%	67.7%
Computer, mathematical, architecture, & engineering	0.0%	0.3%	0.8%	10.3%	88.6%
Life, physical, and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	20.0%	20.0%	20.0%	40.0%
Healthcare practitioners, technical, and support	0.0%	0.0%	0.0%	0.0%	0.0%
Protective services, building, and grounds maintenance	0.0%	0.0%	47.6%	37.0%	15.4%
Sales and service	1.3%	2.6%	13.1%	30.7%	52.3%
Office and administrative support	0.3%	9.1%	29.7%	34.6%	26.3%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	11.7%	22.4%	47.9%	18.0%
Production, non-construction trades and craft	0.0%	17.2%	38.3%	35.4%	9.2%
Transportation and material moving	0.0%	37.9%	35.4%	23.3%	3.5%
Other (forest, fishery, agriculture, military, arts, media)	0.0%	8.3%	68.5%	13.3%	10.0%

Report Data - Incentive description

Incentives
Aluminum smelter tax incentives

Aluminum Smelter Tax Incentives- RCW and Incentive Description

82.04.2909

A reduced tax rate of 0.2904 percent applies to manufacturing and wholesaling of aluminum. This special tax rate expires on January 1, 2027. If there were no special rate, the manufacturing rate would be 0.484 percent.

Report Data - Occupational classes

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Incentives
Aluminum smelter tax incentives

Aluminum smelter tax incentives - Distribution of Employees by Occupation

Occupational class	Number of employees	
Business, financial and legal operations	0	0.0%
Community and social services	0	0.0%
Computer, mathematical, architecture, & engineering	0	0.0%
Construction and extraction	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners, technical, and support	0	0.0%
Installation, maintenance, and repair	0	0.0%
Life, physical, and social services	0	0.0%
Management	0	0.0%
Office and administrative support	0	0.0%
Other (forest, fishery, agriculture, military, arts, media)	0	0.0%
Production, non-construction trades and craft	0	0.0%
Protective services, building, and grounds maintenance	0	0.0%
Sales and service	0	0.0%
Total	0	0.0%
Transportation and material moving	0	0.0%

Report Data - Hourly wages for specific incentive

Incentives
Aluminum smelter tax incentives

Aluminum smelter tax incentives - Distribution of hourly wage by occupation

Hourly wage

Occupational class	Non Disclosable
Management	0.0%
Business, financial and legal operations	0.0%
Computer, mathematical, architecture, & engineering	0.0%
Life, physical, and social services	0.0%
Community and social services	0.0%
Education, training, and library	0.0%
Healthcare practitioners, technical, and support	0.0%
Protective services, building, and grounds maintenance	0.0%
Sales and service	0.0%
Office and administrative support	0.0%
Construction and extraction	0.0%
Installation, maintenance, and repair	0.0%
Production, non-construction trades and craft	0.0%
Transportation and material moving	0.0%
Other (forest, fishery, agriculture, military, arts, media)	0.0%

Report Data - Incentive description

Incentives

Data center sales & use tax exemption

Data Center Sales & Use Tax Exemption- RCW and Incentive Description

82.08.986, 82.12.986 There is a retail sale and use tax exemption on qualified purchases of eligible server equipment and eligible power infrastructure for data centers that are located in a rural county. The exemption also includes charges for labor and services associated with installation of the equipment and power infrastructure.

Requirements to qualify:

- Facility must meet employment and facility size criteria;
- Facility is located in a rural county as defined in RCW 82.14.370; and
- Commencement of construction must occur:
 - After March 31, 2010, and before July 1, 2011; or
 - After March 31, 2012, and before July 1, 2015; or
 - After June 30, 2015, and before July 1, 2025.

For data centers where the commencement of construction occurs between June 30, 2015 and July 1, 2025, the exemption is limited to:

- Eight data centers between July 1, 2015 and July 1, 2019, and
- A total of twelve through July 1, 2025.

Report Data - Occupational classes

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Incentives
Data center sales & use tax exemption

Data center sales & use tax exemption - Distribution of Employees by Occupation

Occupational class	Number of employees	
Production, non-construction trades and craft	27,873	34.9%
Computer, mathematical, architecture, & engineering	19,477	24.4%
Management	7,330	9.2%
Business, financial and legal operations	7,140	8.9%
Other (forest, fishery, agriculture, military, arts, media)	7,126	8.9%
Office and administrative support	3,843	4.8%
Installation, maintenance, and repair	3,221	4.0%
Protective services, building, and grounds maintenance	1,501	1.9%
Transportation and material moving	1,436	1.8%
Sales and service	447	0.6%
Education, training, and library	200	0.3%
Life, physical, and social services	194	0.2%
Healthcare practitioners, technical, and support	114	0.1%
Community and social services	0	0.0%
Construction and extraction	0	0.0%
Total	79,902	

Report Data - Hourly wages for specific incentive

Incentives
Data center sales & use tax exemption

Data center sales & use tax exemption - Distribution of hourly wage by occupation

Occupational class	Hourly wage				
	Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Management	0.0%	0.0%	0.3%	1.2%	98.5%
Business, financial and legal operations	0.0%	0.0%	0.0%	13.6%	86.4%
Computer, mathematical, architecture, & engineering	0.0%	0.0%	0.1%	0.9%	99.1%
Life, physical, and social services	0.0%	0.0%	0.0%	4.6%	95.4%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	100.0%
Healthcare practitioners, technical, and support	0.0%	0.0%	0.9%	28.1%	71.0%
Protective services, building, and grounds maintenance	0.0%	13.0%	12.9%	8.7%	65.4%
Sales and service	0.0%	0.0%	0.0%	0.9%	99.1%
Office and administrative support	0.0%	0.0%	0.7%	30.7%	68.6%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	0.0%	0.0%	10.3%	89.7%
Production, non-construction trades and craft	0.0%	1.5%	12.0%	28.9%	57.6%
Transportation and material moving	0.0%	0.0%	1.7%	18.9%	79.4%
Other (forest, fishery, agriculture, military, arts, media)	0.0%	0.0%	0.1%	4.1%	95.8%

Report Data - Incentive description

Incentives

Electrolytic processing industry tax incentive

Electrolytic Processing Industry Tax Incentive- RCW and Incentive Description

82.16.0421

Utility companies providing electricity to producers of chlor-alkali or sodium chlorate do not pay public utility tax on the electricity used to produce those compounds. The exemption expires on June 30, 2019, and does not apply to sales of electricity made after December 31, 2018.

Report Data - Occupational classes

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Incentives
Electrolytic processing industry tax incentive

Electrolytic processing industry tax incentive - Distribution of Employees by Occupation

Occupational class	Number of employees	
Business, financial and legal operations	0	0.0%
Community and social services	0	0.0%
Computer, mathematical, architecture, & engineering	0	0.0%
Construction and extraction	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners, technical, and support	0	0.0%
Installation, maintenance, and repair	0	0.0%
Life, physical, and social services	0	0.0%
Management	0	0.0%
Office and administrative support	0	0.0%
Other (forest, fishery, agriculture, military, arts, media)	0	0.0%
Production, non-construction trades and craft	0	0.0%
Protective services, building, and grounds maintenance	0	0.0%
Sales and service	0	0.0%
Total	0	0.0%
Transportation and material moving	0	0.0%

Report Data - Hourly wages for specific incentive

Incentives
Electrolytic processing industry tax incentive

Electrolytic processing industry tax incentive - Distribution of hourly wage by occupation

Hourly wage

Occupational class	Non Disclosable
Management	0.0%
Business, financial and legal operations	0.0%
Computer, mathematical, architecture, & engineering	0.0%
Life, physical, and social services	0.0%
Community and social services	0.0%
Education, training, and library	0.0%
Healthcare practitioners, technical, and support	0.0%
Protective services, building, and grounds maintenance	0.0%
Sales and service	0.0%
Office and administrative support	0.0%
Construction and extraction	0.0%
Installation, maintenance, and repair	0.0%
Production, non-construction trades and craft	0.0%
Transportation and material moving	0.0%
Other (forest, fishery, agriculture, military, arts, media)	0.0%

Report Data - Incentive description

Incentives

Government funded mental health services deduction

Government Funded Mental Health Services Deduction- RCW and Incentive Description

82.04.4277

Nonprofit health or social welfare organizations receive a B&O tax deduction for providing mental health or chemical dependency services under a government-funded program. The same deduction applies to regional support networks for amounts received by the state for distribution to health or social welfare organizations which qualify for the deduction.

Report Data - Occupational classes

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Incentives
Government funded mental health services deduction

Government funded mental health services deduction - Distribution of Employees by Occupation

Occupational class	Number of employees	
Community and social services	1,079	35.4%
Office and administrative support	504	16.6%
Healthcare practitioners, technical, and support	501	16.5%
Management	318	10.4%
Business, financial and legal operations	249	8.2%
Computer, mathematical, architecture, & engineering	163	5.4%
Other (forest, fishery, agriculture, military, arts, media)	128	4.2%
Sales and service	49	1.6%
Life, physical, and social services	20	0.7%
Protective services, building, and grounds maintenance	19	0.6%
Education, training, and library	12	0.4%
Installation, maintenance, and repair	3	0.1%
Construction and extraction	0	0.0%
Production, non-construction trades and craft	0	0.0%
Transportation and material moving	0	0.0%
Total	3,045	

Report Data - Hourly wages for specific incentive

Incentives
Government funded mental health services deduction

Government funded mental health services deduction - Distribution of hourly wage by occupation

Occupational class	Hourly wage				
	Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Management	0.0%	0.6%	3.1%	22.7%	73.6%
Business, financial and legal operations	0.0%	0.0%	2.8%	24.6%	71.1%
Computer, mathematical, architecture, & engineering	0.0%	0.6%	4.3%	17.8%	77.3%
Life, physical, and social services	0.0%	0.0%	0.0%	20.0%	80.0%
Community and social services	0.0%	22.8%	44.1%	27.2%	5.9%
Education, training, and library	0.0%	0.0%	8.3%	83.3%	8.3%
Healthcare practitioners, technical, and support	0.0%	9.7%	6.0%	17.5%	66.6%
Protective services, building, and grounds maintenance	0.0%	36.8%	36.8%	21.1%	5.3%
Sales and service	0.0%	0.0%	0.0%	16.3%	83.7%
Office and administrative support	0.0%	25.0%	37.4%	32.1%	5.6%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	100.0%	0.0%	0.0%	0.0%
Production, non-construction trades and craft	0.0%	0.0%	0.0%	0.0%	0.0%
Transportation and material moving	0.0%	0.0%	0.0%	0.0%	0.0%
Other (forest, fishery, agriculture, military, arts, media)	39.1%	58.1%	2.8%	0.0%	0.0%

Report Data - Incentive description

Incentives
Newspaper industry incentive

Newspaper Industry Incentive- RCW and Incentive Description

82.04.260(14)(a)

Businesses in the newspaper industry receive a preferential B&O tax rate for engaging in the business of printing a newspaper, publishing a newspaper, or both. This B&O tax rate is 0.35 percent until July 1, 2024, at which time the rate increases to 0.484 percent.

The definition of “newspaper” for B&O tax purposes includes electronic versions of a printed newspaper. Advertising and subscription revenues generated from the online version of a printed newspaper are also taxed at the preferential rate.

Without this exemption the B&O tax rates would be:

- 0.484 percent for print advertising revenues,
- 1.5 percent for digital advertising revenues,
- 0.484 percent for print subscription revenues, and
- 0.471 percent for digital subscription revenues.

Report Data - Occupational classes

Participants are required to report the number of employees by occupational categories. These categories are organized by Federal Department of Labor Standard Occupation Code (SOC). The Department has adopted the broadest possible category of SOC major groups.

You can find a list of the occupation categories and descriptions on page ten of the annual report.

<http://dor.wa.gov/Docs/Pubs/Misc/AnnualReport.pdf>

Incentives
Newspaper industry incentive

Newspaper industry incentive - Distribution of Employees by Occupation

Occupational class	Number of employees	
Sales and service	29,569	68.1%
Transportation and material moving	3,800	8.8%
Management	2,537	5.8%
Production, non-construction trades and craft	2,266	5.2%
Healthcare practitioners, technical, and support	2,045	4.7%
Office and administrative support	1,870	4.3%
Other (forest, fishery, agriculture, military, arts, media)	547	1.3%
Installation, maintenance, and repair	306	0.7%
Business, financial and legal operations	193	0.4%
Computer, mathematical, architecture, & engineering	127	0.3%
Education, training, and library	110	0.3%
Protective services, building, and grounds maintenance	45	0.1%
Construction and extraction	4	0.0%
Community and social services	0	0.0%
Life, physical, and social services	0	0.0%
Total	43,419	

Report Data - Hourly wages for specific incentive

Incentives
Newspaper industry incentive

Newspaper industry incentive - Distribution of hourly wage by occupation

Occupational class	Hourly wage				
	Min to \$10	\$10.01 to \$15	\$15.01 to \$20	\$20.01 to \$30	\$30.01 & Over
Management	0.1%	3.5%	24.4%	37.2%	34.8%
Business, financial and legal operations	5.7%	14.0%	23.9%	41.2%	15.3%
Computer, mathematical, architecture, & engineering	0.5%	9.8%	11.5%	25.5%	52.8%
Life, physical, and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	22.8%	76.3%	0.9%	0.0%	0.0%
Healthcare practitioners, technical, and support	3.9%	19.0%	30.9%	19.4%	26.8%
Protective services, building, and grounds maintenance	0.0%	42.2%	0.0%	55.6%	2.2%
Sales and service	29.8%	27.8%	39.1%	2.7%	0.6%
Office and administrative support	15.9%	22.6%	49.7%	9.9%	2.0%
Construction and extraction	0.0%	0.0%	0.0%	75.0%	25.0%
Installation, maintenance, and repair	21.1%	47.0%	5.4%	18.1%	8.4%
Production, non-construction trades and craft	14.0%	26.5%	29.8%	25.9%	3.8%
Transportation and material moving	62.7%	12.1%	7.2%	17.0%	1.0%
Other (forest, fishery, agriculture, military, arts, media)	2.7%	19.7%	20.2%	26.4%	31.1%

Report Data - Incentive description

Incentives
Semiconductor cluster industries

Semiconductor Cluster Industries- RCW and Incentive Description

82.04.2404

Reduced B&O tax rate for the manufacturing or processing for hire of semiconductor materials. This preferred rate expires December 1, 2018.

**82.08.9651,
82.12.9651**

An exemption from retail sales and use tax is provided to manufacturers and processors for hire on purchases of gasses and chemicals used to produce semiconductor materials. Manufacturers of silicon solar wafers, silicon solar cells, thin film solar devices, solar grade silicon, or compound semiconductor solar wafers also qualify for this exemption. This exemption expires December 1, 2018.

Report Data - Occupational classes

Participants are required to report the number of employees by occupational categories. These categories are organized by Federal Department of Labor Standard Occupation Code (SOC). The Department has adopted the broadest possible category of SOC major groups.

You can find a list of the occupation categories and descriptions on page ten of the annual report.

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Incentives
Semiconductor cluster industries

Semiconductor cluster industries - Distribution of Employees by Occupation

Occupational class	Number of employees	
Business, financial and legal operations	0	0.0%
Community and social services	0	0.0%
Computer, mathematical, architecture, & engineering	0	0.0%
Construction and extraction	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners, technical, and support	0	0.0%
Installation, maintenance, and repair	0	0.0%
Life, physical, and social services	0	0.0%
Management	0	0.0%
Office and administrative support	0	0.0%
Other (forest, fishery, agriculture, military, arts, media)	0	0.0%
Production, non-construction trades and craft	0	0.0%
Protective services, building, and grounds maintenance	0	0.0%
Sales and service	0	0.0%
Total	0	0.0%
Transportation and material moving	0	0.0%

Report Data - Hourly wages for specific incentive

Incentives
Semiconductor cluster industries

Semiconductor cluster industries - Distribution of hourly wage by occupation

Hourly wage

Occupational class	Non Disclosable
Management	0.0%
Business, financial and legal operations	0.0%
Computer, mathematical, architecture, & engineering	0.0%
Life, physical, and social services	0.0%
Community and social services	0.0%
Education, training, and library	0.0%
Healthcare practitioners, technical, and support	0.0%
Protective services, building, and grounds maintenance	0.0%
Sales and service	0.0%
Office and administrative support	0.0%
Construction and extraction	0.0%
Installation, maintenance, and repair	0.0%
Production, non-construction trades and craft	0.0%
Transportation and material moving	0.0%
Other (forest, fishery, agriculture, military, arts, media)	0.0%

Descriptive Statistics - Survey requirements

Surveys are required by taxpayers who utilized tax preferences listed below. The surveys are due by May 31st the year after the incentive was utilized. The Department is required to compile the data and annually publish an analysis by December 31st.

Information provided

Participants in the survey incentive programs are asked to provide the following information regarding the activities the calendar year prior to the survey due date:

- The amount of tax preference claimed;
- The firm's number of employment positions (full-time, part-time or temporary);
- The number of employment positions by specified wage bands; and
- The number of employment positions with medical, dental and retirement benefits.

In addition, a few incentives require firms to report the number of new products or research projects developed and the number of new patents, copyrights and trademarks.

Limitations of deferral amounts

With the current publication, there are three things the reader should be aware of when interpreting deferral data.

Repeated reporting

It is important to note that deferral amounts reported for the sales tax deferrals are not additive over time. This is due to the requirement for firms to submit survey information for completed projects initially in the year after the project is complete, plus surveys in each of the following seven years. The following example shows how deferral amounts are reported on the survey.

Example:

A taxpayer has a project that is operationally complete in 2008. Assume the Department of Revenue audits and approves the project for \$10,000 of deferred sales tax. In this case, by March 31, 2009, the taxpayer completes the survey with \$10,000 entered as the total sales tax deferred for that project. This \$10,000 is entered in the survey again for each of the next seven years.

Assume further that in 2009 this taxpayer has another project completed and approved for \$5,000 of deferred sales tax. This means starting with the survey due on March 31, 2010, the taxpayer enters \$15,000 (sum of both projects) as the total sales tax deferred.

If these two projects are the only ones this taxpayer has, the final survey required of the taxpayer will be for the second project only and \$5,000 is entered as the total sales tax deferred. This is because the survey requirement for the first project ended the previous year, so its \$10,000 of deferred sales tax is excluded from the final survey.

Deferral amounts contain estimates

Through Calendar Year 2010, the deferred tax amounts reported on the surveys were exclusively from the Department of Revenue verified audit of projects. Starting with the survey for Calendar Year 2011, the deferred tax amounts include estimated tax based on information from the deferral applications, as provided by taxpayers (if the audit was not final) and actual amounts from completed audits. For a project, the estimate may differ significantly from the actual. Hence, deferral amounts in the current publication may not be comparable to those in past, or future, publications.

Completed projects only

The data in the surveys, as reported in this publication, include only projects which have been operationally completed. The figures reported do not include projects for which application has been made but which are not yet completed.

Descriptive Statistics - Incentives requiring survey

Tax incentives requiring an annual survey

Business and occupation (B&O) tax rate reduction

- Aerospace FAR part 145 repair stations
- Aerospace manufacturers
- Aerospace product development
- Aluminum smelters
- Solar energy systems manufacturers or wholesalers
- Timber industry

B&O or public utility tax (PUT) deductions and exemptions

- Aerospace computer, software, and peripherals sales & use tax exemption
- Aerospace leasehold excise tax exemption for superefficient airplane manufacturers
- Aerospace manufacturing site sales & use tax exemption
- Aerospace personal property tax for superefficient airplane manufacturers
- Agricultural crop protection products
- Aluminum smelters use tax exemption for compressed/liquefied natural gas
- Dairy products B&O tax deduction
- Data center sales & use tax exemption
- Fruit and vegetable businesses B&O tax exemption
- Public research university machinery and equipment sales & use tax exemption
- Renewable energy equipment sales & use tax
- Seafood product businesses B&O tax exemption
- Semi-conductor sales & use tax exemption
- Solar energy systems manufactures or processors sale & use tax exemption

B&O tax credit

- Aerospace preproduction expenditures
- Aerospace property and leasehold excise taxes
- Aluminum smelters property tax
- Aluminum smelters sales & use tax
- Customized employment training credit

Sales & use tax deferrals

- Biotechnology and medical device manufacturing
- Agricultural (fruit and vegetable processors, manufacturers of dairy or seafood products) and cold storage warehouse
- High technology
- High unemployment county
- Rural county

Descriptive Statistics - Report requirements

Reports are required by taxpayers utilizing the tax preferences listed below. The reports are due by May 31st the year following the year in which the incentive was taken. The Department is required to compile the data and annually publish an analysis by December 31st.

Information provided

Participants in the report incentive program do not have to provide the amount of tax benefit received. They are asked to provide the following information for the report year:

Employment by wage bands and occupation;

- The number of employment positions (full-time, part-time or temporary); and
- The number of employment positions with medical and retirement benefits.

Also, some of the program participants must indicate the quantity of products produced during the year.

Tax incentives requiring an annual report

Business and occupation (B&O) tax rate reduction

- Aerospace FAR part 145 repair stations
- Newspaper industry

B&O and public utility tax deductions and exemptions

- Government-funded mental health services
- Electrolytic processing industry
- Data center sales & use tax exemption

Sales and use tax deferrals

- Aerospace manufacturer incentives
- Aerospace non-manufacturer Incentives
- Aluminum smelter incentives
- Semiconductor industry