



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
OFFICE OF THE DIRECTOR

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December 19, 2022

TO: Sarah Banister, Secretary
Washington State Senate

Bernard Dean, Chief Clerk
Washington State House of Representatives

FROM: John Ryser, Acting Director

SUBJECT: Descriptive Statistics 2022 Report

The Revised Code of Washington (RCW 82.32.534) requires the Department of Revenue (department) to summarize data from the annual tax performance report for select tax incentive programs by December 31. This statute requires the department to summarize report information in descriptive statistics by category. No fewer than three taxpayers may be included in any category.

Taxpayers (participants) must file their annual tax performance report by May 31 for incentives claimed the preceding year. This report covers incentives claimed for Calendar Year 2021.

The department's Taxpayer Account Administration Division administers the annual tax performance report and is responsible for posting the public disclosure information on the department's website. The Research and Fiscal Analysis Division compiled the Descriptive Statistics.

The report is also available on our website at:

<https://dor.wa.gov/about/statistics-reports/descriptive-statistics>

If you have questions about this report, please contact Kathy Oline, Assistant Director, Research and Fiscal Analysis, at 360-534-1534.

Attachment

cc: Members, Senate Ways and Means Committee
Members, House Finance Committee
Members, House Appropriations Committee
David Schumacher, Director, Office of Financial Management
Drew Shirk, Executive Director, Legislative Affairs, Office of the Governor

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Descriptive Statistics for Select Tax Incentive Programs

2022 Report to the Legislature

Covering Calendar Year 2021 Activity

John Ryser, Acting Director
Washington State Department of Revenue
December 2022



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Executive summary

The Revised Code of Washington (RCW 82.32.534) requires the Department of Revenue (department) to summarize data from the annual tax performance report for select tax incentive programs by December 31. Taxpayers (participants) must file their report by May 31 for incentives claimed the preceding year. Prior to the due date, the department makes a concerted effort to remind known participants of their filing requirement(s). Participants submitting their report late may qualify for an extension. If they do not qualify for an extension, they must pay back a portion of the incentive claimed. The department included late filings in our analysis since the participant received a portion of the incentive.

The annual tax performance report requires all participants to provide the tax incentive amount as well as employment data. Participants report Washington employment data in two separate tables. The first table represents employment and wages for the entire calendar year. The second table represents the annual employment and wages based on those employed as of December 31 of the year covered by this report. To simplify reporting, participants can authorize the department to obtain employment information directly from the Employment Security Department for the first table. Based on the incentive selected, the electronic report may present additional questions relating to employment and incentive activity.

This report represents information provided by participants, and corrections made during the department's review, for incentives claimed in Calendar Year 2021. There were 44 tax incentive programs requiring an annual tax performance report with only 34 programs reporting activity. This year's publication summarizes data from 1,535 reports and covers 25 incentives with three or more taxpayers (participants). The business and occupation tax, public utility tax, and sales and use tax incentives included in this report reduced state and local tax revenues by \$724 million in Calendar Year 2021. The participants reported almost 719,000 employees located in Washington State as of December 31, 2021. The summarized data with corrections is as of October 25, 2022.

2021 Incentive Highlights

Most participants by incentive program	Number of participants
Timber industry reduced business and occupation (B&O) tax rate	655
Fruit and vegetable processors B&O tax exemption	246
Aerospace product development reduced B&O tax rate	116
Newspaper reduced B&O tax rate	71
Largest revenue impact by incentive program	Tax saved (millions)
High technology sales and use tax deferral	\$382
Data centers sales and use tax exemption	\$95
Aerospace property and leasehold taxes B&O tax credit	\$57
Aerospace preproduction expenditures B&O tax credit	\$50
Washington employment by incentive program as of December 31, 2021	Number of jobs
High technology sales and use tax deferral	245,273
Data center sales and use tax exemption	147,346
Aerospace property and leasehold taxes B&O tax credit	60,589
Aerospace preproduction expenditures B&O tax credit	60,081

Incentives with no annual tax performance report filed for 2021

- Aerospace FAR part 145 repair station sales and use tax exemption.
- Aerospace leasehold tax exemption for superefficient airplane manufacturers.
- Aerospace manufacturing site sales and use tax exemption.
- Aerospace personal property tax exemption for superefficient airplane manufacturers.
- Aluminum smelters property tax B&O tax credit.
- Aluminum smelters reduced B&O tax rate.
- Aluminum smelters sales and use tax credit.
- Aluminum smelters use tax exemption for compressed/liquefied natural gas.
- Silicon smelter exemption.
- Solar energy systems manufacturers or processors sales and use tax exemption.

Incentives – confidential taxpayer information

Fewer than three taxpayers utilized each of the incentives below; therefore, the department excluded these incentives from this publication due to restrictions on the disclosure of confidential taxpayer information.

- Agricultural crop protection products sales and use tax exemption.
- Electrolytic processing industry tax incentives.
- Eligible behavioral health program tax deduction.
- Gas distribution business sales and use tax exemption.
- Rural sales and use tax deferral.
- Semiconductor manufacturers reduced B&O rate.
- Semiconductor sales and use tax exemption.
- Standard financial information sales and use tax exemption.
- Veteran employer public utility tax credit.

The rest of this publication provides detailed information by incentive program.

Understanding this publication

Combining data

Participants can file multiple incentives on one annual tax performance report. The employee count for each report represents the total employees in Washington for the participant and not by incentive. Each incentive filed by the participant will have the same employee count throughout this publication. As a result, adding the employee counts for multiple incentives may overstate the number of employees.

Incentive amounts

Participants declare tax savings on the report. The tax savings calculations differ by incentive type:

- Credits taken against B&O or public utility tax.
- Deductions or exemptions from B&O tax.
- Deferrals or exemptions from sales and use tax.
- Preferential B&O tax rates, for which the participant reports the difference in tax liability between the preferred and general rates.

Employment data used to group participants

The annual tax performance report requests employment data for the entire calendar year and employment data as of December 31. Employment data for the calendar year has the same or more employees than the amount reported as of December 31. This report groups participants by total employees as of December 31. Incentives with more employees in the entire calendar year than employees on December 31 may create some disparity between employment size and total number of employees in the data tables.

Data tables

This report presents five tables for each incentive.

- The first table reflects the incentive amounts and number of participants by employment size.
- The second and third tables represent the annual employment data for the calendar year.
- The fourth and fifth tables summarize the annual employment data for employees employed on December 31, 2021.

Eleven incentives have three additional employment tables.

- The sixth table displays the employee count and percentage by occupation.
- The seventh table provides the percentage of employees by employment status and occupation class.
- The eighth table lists the percent distribution of employees by occupation and hourly wage.

The totals in the tables may not add to 100% or may be slightly more than 100% due to rounding. The high technology sales and use tax deferral and the public institution sales and use tax exemption declare tax incentive savings in each high technology category.

Deferral programs

For the sales and use tax deferral programs, the revenue reflects total state and local tax deferred for each qualified project. Participants declare the total amount for eight years, starting the year after the project is operationally complete. Therefore, adding the total deferral amounts for each year will result in overstated deferred amounts.

Overview of tax incentives for Calendar Year 2021

Tax incentives by major industry	Participants	Total jobs ¹	Tax savings
Aerospace			
Computer, software, and peripheral sales and use tax exemption	20	56,564	\$9,418,632
FAR Part 145 station reduced B&O tax rate	38	2,616	\$478,224
Preproduction expenditures B&O tax credit	50	60,081	\$50,453,670
Product development reduced B&O tax rate	116	3,149	\$1,747,690
Property and leasehold taxes B&O tax credit	24	60,589	\$57,104,533
Agricultural products			
Agricultural crop protection products hazardous substance tax exemption ²	CTI	CTI	CTI
Agricultural sales and use tax deferrals	5	5,877	\$14,543,334
Dairy products manufacturers B&O tax exemption	24	2,732	\$5,601,808
Fruit and vegetable processors B&O tax exemption	246	20,549	\$19,525,643
Seafood processors B&O tax exemption	26	3,274	\$2,192,517
Employer credits			
Customized employment training B&O tax credit	4	255	\$6,881
Veteran employer B&O tax credit	13	1,076	\$17,929
Veteran employer PUT credits ²	CTI	CTI	CTI
General manufacturing			
High unemployment sales and use tax deferrals	67	12,653	\$35,629,173
Manufacturers sales and use tax deferral	4	265	\$1,648,834
Rural county sales and use tax deferral ²	CTI	CTI	CTI
High technology and computing			
Biotechnology sales and use tax deferral	6	2,129	\$4,871,928
Data center sales and use tax exemption	22	147,346	\$94,923,824
High technology sales and use tax deferral	53	245,273	\$381,784,990
Public research institution equipment sales and use tax exemption	3	50,914	\$5,254,108
Renewable energy			
Renewable energy light and power business PUT credit	45	12,554	\$15,405,051
Solar energy systems manufacturers or wholesalers reduced B&O tax rate	3	78	\$19,522
Timber			
Hog fuel sales and use tax exemption	14	3,862	\$2,278,594
Timber and wood products reduced B&O tax rate	655	17,907	\$17,381,532
Other programs			
Electrolytic processing industry incentives ²	CTI	CTI	CTI
Eligible behavioral health program deduction ²	CTI	CTI	CTI
Gas distribution business sales and use tax exemption ²	CTI	CTI	CTI
Newspaper reduced B&O tax rate	71	2,347	\$451,379
Semiconductor manufacturers reduced B&O tax rate ²	CTI	CTI	CTI
Semiconductor sales and use tax exemption ²	CTI	CTI	CTI
Standard financial information sales and use tax exemption ²	CTI	CTI	CTI
Washington Filmworks contributors B&O tax credit	11	6,871	\$3,500,000

¹Total jobs as of December 31, 2021.

²Fewer than three participants; therefore, confidential taxpayer information (CTI).

Chapter 1 – Aerospace industry

Nine aerospace industry incentives require participants to submit an annual tax performance report. This chapter shows the cumulative results for each incentive with three or more participants. The executive summary lists incentives not reported or containing confidential taxpayer information.

Aerospace computer, software, and peripherals sales and use tax exemption

Computer hardware, software, and peripherals used primarily to develop, design, or engineer aerospace products or provide aerospace services are exempt from retail sales and use tax. Any charge for labor and services rendered in respect to the installation of the equipment is also exempt. This exemption expires July 1, 2040 (RCW 82.08.975; RCW 82.12.975).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	13	\$83,431
50 or more	7	9,335,200
Total	20	\$9,418,632

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	218	56.4%	43.6%
50 or more	56,584	99.6%	0.4%
Total	56,802	99.4%	0.6%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$17,185,005	70.0%	30.0%
50 or more	6,923,632,440	99.9%	0.1%
Total	\$6,940,817,445	99.8%	0.2%

Aerospace computer, software, and peripherals sales and use tax exemption

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	143	93.7%	4.9%	1.4%
50 or more	56,421	99.8%	0.2%	0.0%
Total	56,564	99.8%	0.2%	0.0%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$12,060,647	97.2%	2.7%	0.0%
50 or more	6,919,878,902	99.9%	0.1%	0.0%
Total	\$6,931,939,549	99.9%	0.1%	0.0%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	5,081	9.0%
Business, financial, and legal operations	4,616	8.2%
Computer, math, architect, and engineer	15,694	27.7%
Life, physical, and social science	130	0.2%
Community and social services	0	0.0%
Education, training, and library	119	0.2%
Healthcare practitioners and support	39	0.1%
Protective services and maintenance	1,020	1.8%
Sales and service	258	0.5%
Office and administrative support	1,337	2.4%
Construction and extraction	93	0.2%
Installation, maintenance, and repair	3,566	6.3%
Production and non-construction trades	22,149	39.2%
Transportation and material moving	1,100	1.9%
Other	1,362	2.4%
Total	56,564	100.0%

Aerospace computer, software, and peripherals sales and use tax exemption

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	99.7%	0.3%	0.0%
Computer, math, architect, and engineer	99.5%	0.5%	0.0%
Life, physical, and social science	100.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	100.0%	0.0%	0.0%
Healthcare practitioners and support	100.0%	0.0%	0.0%
Protective services and maintenance	100.0%	0.0%	0.0%
Sales and service	100.0%	0.0%	0.0%
Office and administrative support	99.5%	0.5%	0.0%
Construction and extraction	100.0%	0.0%	0.0%
Installation, maintenance, and repair	100.0%	0.0%	0.0%
Production and non-construction trades	100.0%	0.0%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	99.9%	0.1%	0.0%
Total	99.8%	0.2%	0.0%

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01-\$20.00	\$20.01-\$25.00	\$25.01-\$30.00	\$30.01-\$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	0.0%	1.7%	98.3%
Business, financial, and legal operations	0.0%	0.0%	0.2%	1.5%	41.0%	57.3%
Computer, math, architect, and engineer	0.0%	0.0%	0.1%	1.1%	23.6%	75.2%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	46.9%	53.1%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	9.2%	0.8%	0.0%	33.6%	56.3%
Healthcare practitioners and support	0.0%	0.0%	0.0%	17.9%	51.3%	30.8%
Protective services and maintenance	3.1%	16.7%	15.9%	3.7%	39.6%	21.0%
Sales and service	0.0%	0.0%	0.4%	0.8%	7.8%	91.1%
Office and administrative support	0.0%	0.5%	0.9%	3.1%	52.1%	43.3%
Construction and extraction	0.0%	2.2%	22.6%	2.2%	73.1%	0.0%
Installation, maintenance, and repair	0.0%	0.1%	0.9%	3.9%	95.1%	0.0%
Production and non-construction trades	0.0%	3.3%	17.0%	5.9%	70.7%	3.1%
Transportation and material moving	0.0%	0.1%	2.0%	5.0%	74.4%	18.5%
Other	0.0%	0.0%	0.1%	0.3%	32.3%	67.3%
Total	0.1%	1.6%	7.2%	3.2%	48.3%	39.6%

Aerospace FAR Part 145 repair stations reduced B&O tax rate

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%. Without the preferential rate, these businesses would be subject to the 0.484% rate applicable to the retailing of interstate transportation equipment. The preferred B&O tax rate expires July 1, 2040 (RCW 82.04.250).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	27	\$112,664
50 or more	11	365,561
Total	38	\$478,224

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	390	64.1%	35.9%
50 or more	2,763	70.9%	29.1%
Total	3,153	70.1%	29.9%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$19,702,786	84.5%	15.5%
50 or more	175,745,545	87.1%	12.9%
Total	\$195,448,331	86.8%	13.2%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	335	96.7%	2.1%	1.2%
50 or more	2,281	99.1%	0.2%	0.7%
Total	2,616	98.8%	0.4%	0.8%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$18,219,907	99.2%	0.7%	0.1%
50 or more	158,529,116	99.9%	0.0%	0.1%
Total	\$176,749,023	99.8%	0.1%	0.1%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	214	8.2%
Business, financial, and legal operations	165	6.3%
Computer, math, architect, and engineer	449	17.2%
Life, physical, and social science	0	0.0%
Community and social services	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners and support	0	0.0%
Protective services and maintenance	27	1.0%
Sales and service	80	3.1%
Office and administrative support	211	8.1%
Construction and extraction	0	0.0%
Installation, maintenance, and repair	872	33.3%
Production and non-construction trades	529	20.2%
Transportation and material moving	69	2.6%
Other	0	0.0%
Total	2,616	100.0%

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	100.0%	0.0%	0.0%
Computer, math, architect, and engineer	100.0%	0.0%	0.0%
Life, physical, and social science	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%
Protective services and maintenance	85.2%	14.8%	0.0%
Sales and service	100.0%	0.0%	0.0%
Office and administrative support	92.4%	7.6%	0.0%
Construction and extraction	0.0%	0.0%	0.0%
Installation, maintenance, and repair	99.3%	0.7%	0.0%
Production and non-construction trades	99.6%	0.4%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%
Total	98.9%	1.1%	0.0%

Aerospace FAR Part 145 repair stations reduced B&O tax rate

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01- \$20.00	\$20.01- \$25.00	\$25.01- \$30.00	\$30.01- \$50.00	\$50.01 & over
Management	0.0%	0.5%	0.9%	3.3%	28.0%	67.3%
Business, financial, and legal operations	0.0%	13.9%	12.7%	9.1%	38.2%	26.1%
Computer, math, architect, and engineer	0.0%	0.9%	1.3%	5.1%	51.9%	40.8%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	22.2%	25.9%	33.3%	18.5%	0.0%
Sales and service	0.0%	0.0%	18.8%	12.5%	43.8%	25.0%
Office and administrative support	0.5%	21.3%	19.9%	16.1%	34.6%	7.6%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	17.4%	16.6%	20.3%	45.0%	0.7%
Production and non-construction trades	1.1%	22.3%	28.4%	27.0%	20.2%	0.9%
Transportation and material moving	1.4%	39.1%	39.1%	11.6%	8.7%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.3%	14.4%	15.9%	16.3%	37.2%	15.9%

Aerospace preproduction expenditures B&O tax credit

Businesses engaged in aerospace product development are eligible for a B&O tax credit equal to 1.5% of qualified expenditures. Qualified expenditures include research, design, and engineering costs incurred in the development of aerospace products. Qualified expenditures exclude actual production-related costs. Commercial airplane and component manufacturers are eligible for the credit on expenditures incurred after December 1, 2003. Others are eligible for the credit on expenditures incurred after June 30, 2008. This credit expires July 1, 2040 (RCW 82.04.4461).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	34	\$391,251
50 to 250	11	\$734,959
More than 250	5	\$49,327,461
Total	50	\$50,453,670

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked all four quarters
Less than 50	450	61.8%	38.2%
50 to 250	1,397	69.1%	30.9%
More than 250	59,151	98.5%	1.5%
Total	60,998	97.5%	2.5%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked all four quarters
Less than 50	\$38,801,050	78.0%	22.0%
50 to 250	110,316,473	87.7%	12.3%
More than 250	7,107,429,800	99.5%	0.5%
Total	\$7,256,547,323	99.2%	0.8%

Aerospace preproduction expenditures B&O tax credit

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	321	93.5%	6.5%	0.0%
50 to 250	1,162	98.0%	1.9%	0.1%
More than 250	58,598	99.8%	0.2%	0.0%
Total	60,081	99.7%	0.2%	0.0%

Percent of wages by employment status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	\$31,473,966	95.2%	4.8%	0.0%
50 to 250	102,658,950	98.5%	1.4%	0.0%
More than 250	7,083,084,411	99.9%	0.1%	0.0%
Total	\$7,217,217,327	99.9%	0.1%	0.0%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	5,375	8.9%
Business, financial, and legal operations	4,761	7.9%
Computer, math, architect, and engineer	16,678	27.8%
Life, physical, and social science	130	0.2%
Community and social services	0	0.0%
Education, training, and library	106	0.2%
Healthcare practitioners and support	39	0.1%
Protective services and maintenance	1,048	1.7%
Sales and service	346	0.6%
Office and administrative support	1,513	2.5%
Construction and extraction	93	0.2%
Installation, maintenance, and repair	4,085	6.8%
Production and non-construction trades	23,385	38.9%
Transportation and material moving	1,160	1.9%
Other	1,362	2.3%
Total	60,081	100.0%

Aerospace preproduction expenditures B&O tax credit

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	99.6%	0.4%	0.0%
Computer, math, architect, and engineer	99.4%	0.6%	0.0%
Life, physical, and social science	100.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	100.0%	0.0%	0.0%
Healthcare practitioners and support	100.0%	0.0%	0.0%
Protective services and maintenance	99.9%	0.1%	0.0%
Sales and service	99.7%	0.3%	0.0%
Office and administrative support	99.3%	0.7%	0.0%
Construction and extraction	100.0%	0.0%	0.0%
Installation, maintenance, and repair	100.0%	0.0%	0.0%
Production and non-construction trades	99.9%	0.1%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	99.9%	0.1%	0.0%
Total	99.8%	0.2%	0.0%

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01-\$20.00	\$20.01-\$25.00	\$25.01-\$30.00	\$30.01-\$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	0.0%	3.0%	96.9%
Business, financial, and legal operations	0.0%	0.5%	0.5%	1.8%	40.7%	56.6%
Computer, math, architect, and engineer	0.0%	0.1%	0.2%	1.2%	24.6%	74.0%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	46.9%	53.1%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	36.8%	63.2%
Healthcare practitioners and support	0.0%	0.0%	0.0%	17.9%	51.3%	30.8%
Protective services and maintenance	3.1%	16.2%	16.1%	4.3%	39.6%	20.7%
Sales and service	0.0%	0.3%	2.3%	3.5%	14.5%	79.5%
Office and administrative support	0.0%	0.5%	2.5%	4.8%	52.6%	39.7%
Construction and extraction	0.0%	2.2%	22.6%	2.2%	73.1%	0.0%
Installation, maintenance, and repair	0.0%	1.9%	3.0%	5.9%	89.3%	0.0%
Production and non-construction trades	0.0%	3.7%	18.3%	6.7%	68.2%	3.0%
Transportation and material moving	0.0%	1.9%	3.9%	5.5%	71.1%	17.6%
Other	0.0%	0.0%	0.1%	0.3%	32.3%	67.3%
Total	0.1%	2.0%	7.9%	3.8%	47.4%	38.8%

Aerospace product development reduced B&O tax rate

Businesses developing aerospace products for others pay a preferential B&O tax rate of 0.9%, rather than the general services rate of 1.5%. The preferential rate expires on July 1, 2040 (RCW 82.04.290).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	104	\$660,757
50 or more	12	1,086,934
Total	116	\$1,747,690

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	735	55.6%	44.4%
50 or more	3,147	63.9%	36.1%
Total	3,882	62.3%	37.7%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarter	Employees who worked less than four quarters
Less than 50	\$51,798,389	72.6%	27.4%
50 or more	249,863,534	82.2%	17.8%
Total	\$301,661,923	80.5%	19.5%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	554	87.0%	11.6%	1.4%
50 or more	2,595	83.2%	1.5%	15.3%
Total	3,149	83.9%	3.3%	12.9%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$42,516,377	92.2%	6.6%	1.2%
50 or more	218,897,660	94.6%	1.0%	4.4%
Total	\$261,414,037	94.2%	1.9%	3.9%

Aerospace product development reduced B&O tax rate

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	266	8.4%
Business, financial, and legal operations	125	4.0%
Computer, math, architect, and engineer	1,179	37.4%
Life, physical, and social science	0	0.0%
Community and social services	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners and support	6	0.2%
Protective services and maintenance	17	0.5%
Sales and service	449	14.3%
Office and administrative support	180	5.7%
Construction and extraction	0	0.0%
Installation, maintenance, and repair	48	1.5%
Production and non-construction trades	867	27.5%
Transportation and material moving	12	0.4%
Other	0	0.0%
Total	3,149	100.0%

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	99.6%	0.4%	0.0%
Business, financial, and legal operations	91.2%	8.8%	0.0%
Computer, math, architect, and engineer	94.7%	5.3%	0.1%
Life, physical, and social science	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%
Healthcare practitioners and support	16.7%	83.3%	0.0%
Protective services and maintenance	100.0%	0.0%	0.0%
Sales and service	99.8%	0.2%	0.0%
Office and administrative support	92.2%	7.8%	0.0%
Construction and extraction	0.0%	0.0%	0.0%
Installation, maintenance, and repair	97.9%	2.1%	0.0%
Production and non-construction trades	95.2%	4.8%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%
Total	95.6%	4.4%	0.0%

Aerospace product development reduced B&O tax rate

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01- \$20.00	\$20.01- \$25.00	\$25.01- \$30.00	\$30.01- \$50.00	\$50.01 & over
Management	0.0%	0.0%	0.4%	0.0%	24.8%	74.8%
Business, financial, and legal operations	0.0%	4.0%	3.2%	7.2%	37.6%	48.0%
Computer, math, architect, and engineer	0.0%	0.4%	1.3%	2.5%	35.9%	59.9%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Protective services and maintenance	0.0%	5.9%	5.9%	17.6%	52.9%	17.6%
Sales and service	0.7%	17.1%	21.8%	9.1%	26.9%	24.3%
Office and administrative support	0.6%	15.6%	9.4%	22.2%	43.3%	8.9%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	25.0%	2.1%	20.8%	39.6%	12.5%
Production and non-construction trades	0.3%	17.9%	24.8%	31.9%	23.4%	1.6%
Transportation and material moving	8.3%	33.3%	50.0%	8.3%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.3%	9.1%	11.4%	13.1%	30.7%	35.5%

Aerospace property and leasehold excise taxes B&O tax credit

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 used exclusively to manufacture commercial airplanes or components and constructed after December 1, 2003. The credit is also available for leasehold excise taxes paid on land and buildings used exclusively for the same purposes and constructed after January 1, 2006.

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. These credits expire July 1, 2040 (RCW 82.04.4463).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	6	\$135,216
50 to 250	9	516,305
More than 250	9	56,453,011
Total	24	\$57,104,533

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	274	60.6%	39.4%
50 to 250	1,269	69.7%	30.3%
More than 250	60,044	98.0%	2.0%
Total	61,587	97.2%	2.8%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$12,724,791	86.8%	13.2%
50 to 250	66,972,497	83.8%	16.2%
More than 250	7,164,618,827	99.3%	0.7%
Total	\$7,244,316,115	99.1%	0.9%

Aerospace property and leasehold excise taxes B&O tax credit

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	202	97.5%	2.5%	0.0%
50 to 250	960	98.1%	1.9%	0.0%
More than 250	59,427	99.8%	0.2%	0.0%
Total	60,589	99.8%	0.2%	0.0%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$11,674,358	99.0%	1.0%	0.0%
50 to 250	57,214,381	98.9%	1.1%	0.0%
More than 250	7,136,290,580	99.9%	0.1%	0.0%
Total	\$7,205,179,319	99.9%	0.1%	0.0%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	5,364	8.9%
Business, financial, and legal operations	4,734	7.8%
Computer, math, architect, and engineer	16,308	26.9%
Life, physical, and social science	181	0.3%
Community and social services	0	0.0%
Education, training, and library	107	0.2%
Healthcare practitioners and support	45	0.1%
Protective services and maintenance	1,029	1.7%
Sales and service	323	0.5%
Office and administrative support	1,581	2.6%
Construction and extraction	91	0.2%
Installation, maintenance, and repair	3,888	6.4%
Production and non-construction trades	24,463	40.4%
Transportation and material moving	1,113	1.8%
Other	1,362	2.2%
Total	60,589	100.0%

Aerospace property and leasehold excise taxes B&O tax credit

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	99.6%	0.4%	0.0%
Computer, math, architect, and engineer	99.5%	0.5%	0.0%
Life, physical, and social science	100.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	100.0%	0.0%	0.0%
Healthcare practitioners and support	100.0%	0.0%	0.0%
Protective services and maintenance	100.0%	0.0%	0.0%
Sales and service	99.7%	0.3%	0.0%
Office and administrative support	99.3%	0.7%	0.0%
Construction and extraction	100.0%	0.0%	0.0%
Installation, maintenance, and repair	100.0%	0.0%	0.0%
Production and non-construction trades	99.9%	0.1%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	99.9%	0.1%	0.0%
Total	99.8%	0.2%	0.0%

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01-\$20.00	\$20.01-\$25.00	\$25.01-\$30.00	\$30.01-\$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	0.1%	3.9%	96.0%
Business, financial, and legal operations	0.0%	0.3%	0.5%	1.9%	40.6%	56.8%
Computer, math, architect, and engineer	0.0%	0.0%	0.2%	1.2%	25.0%	73.6%
Life, physical, and social science	0.0%	0.0%	6.6%	9.9%	40.3%	43.1%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	37.4%	62.6%
Healthcare practitioners and support	0.0%	0.0%	0.0%	17.8%	53.3%	28.9%
Protective services and maintenance	3.1%	16.8%	15.9%	4.1%	39.3%	20.8%
Sales and service	0.0%	0.6%	3.1%	4.0%	13.9%	78.3%
Office and administrative support	0.0%	0.8%	2.2%	7.5%	51.5%	38.1%
Construction and extraction	0.0%	2.2%	23.1%	2.2%	72.5%	0.0%
Installation, maintenance, and repair	0.1%	0.5%	2.4%	4.6%	92.3%	0.1%
Production and non-construction trades	0.1%	3.9%	18.7%	8.6%	66.0%	2.8%
Transportation and material moving	0.0%	0.4%	2.2%	5.4%	73.7%	18.3%
Other	0.0%	0.0%	0.1%	0.3%	32.3%	67.3%
Total	0.1%	2.0%	8.2%	4.7%	47.3%	37.8%

Chapter 2 - Agriculture industry

Five agriculture industry incentives require a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive.

Agricultural sales and use tax deferrals

Participants who process fresh fruit and vegetables, operate cold storage warehouses for storing such products, engage in research and development (R&D) activities related to processing of such products, or manufacture dairy products are eligible for a deferral and waiver of sales and use taxes on investment projects. The deferral applies to construction or expansion of eligible facilities or acquisition of new equipment. The deferral becomes a waiver of the tax if the business maintains qualified business activities for eight years. Participants submitted applications for these deferrals prior to July 1, 2012 (RCW 82.74).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 5,000	5	\$14,543,334
Total	5	\$14,543,334

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 5,000	6,207	66.2%	33.8%
Total	6,207	66.2%	33.8%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 5,000	\$317,037,964	88.2%	11.8%
Total	\$317,037,964	88.2%	11.8%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 5,000	5,877	93.8%	6.1%	0.2%
Total	5,877	93.8%	6.1%	0.2%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 5,000	\$313,760,210	97.4%	2.6%	0.0%
Total	\$313,760,210	97.4%	2.6%	0.0%

Dairy product manufacturers B&O tax deduction

Manufacturers and wholesalers of dairy products and by-products are exempt from the manufacturing and wholesaling B&O tax rate of 0.484%. This exemption expires July 1, 2025. At that time, income from the manufacturing of these items becomes taxable under the preferential B&O tax rate of 0.138% (RCW 82.04.4268).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	13	\$129,308
50 or more	11	5,472,500
Total	24	\$5,601,808

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	183	41.0%	59.0%
50 or more	2,805	65.3%	34.7%
Total	2,988	63.9%	36.1%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$4,852,216	73.3%	26.7%
50 or more	155,316,173	85.6%	14.4%
Total	\$160,168,389	85.3%	14.7%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	140	70.7%	22.9%	6.4%
50 or more	2,592	91.8%	6.8%	1.4%
Total	2,732	90.7%	7.6%	1.7%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$4,359,381	89.1%	8.5%	2.4%
50 or more	154,118,681	97.4%	2.4%	0.2%
Total	\$158,478,062	97.2%	2.6%	0.2%

Fruit and vegetable processors B&O tax exemption

Manufacturers and wholesalers (selling for interstate transport) of canned, preserved, dehydrated, or frozen fruit or vegetable products are exempt from the manufacturing and wholesaling B&O tax rate of 0.484%. This exemption expires July 1, 2025. At that time, income from the manufacturing of these items becomes taxable under the preferential B&O tax rate classification of 0.138% (RCW 82.04.4266).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	188	\$1,566,050
50 to 250	40	2,943,213
More than 250	18	15,016,379
Total	246	\$19,525,643

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	3,653	32.9%	67.1%
50 to 250	5,568	34.2%	65.8%
More than 250	20,836	44.5%	55.5%
Total	30,057	41.2%	58.8%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$71,289,033	73.0%	27.0%
50 to 250	139,958,016	71.2%	28.8%
More than 250	697,784,637	80.0%	20.0%
Total	\$909,031,686	78.1%	21.9%

Fruit and vegetable processors B&O tax exemption

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	2,014	37.0%	55.2%	7.8%
50 to 250	4,292	59.7%	24.2%	16.1%
More than 250	14,243	77.9%	4.5%	17.6%
Total	20,549	70.1%	13.6%	16.3%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$55,061,997	78.2%	19.8%	2.1%
50 to 250	131,092,389	90.2%	7.4%	2.4%
More than 250	582,853,085	94.3%	2.5%	3.2%
Total	\$769,007,471	92.5%	4.5%	3.0%

Seafood processors B&O tax exemption

Manufacturers and wholesalers of seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing process are exempt from the manufacturing and wholesaling B&O tax of 0.484%. This exemption expires July 1, 2025. At that time, income from the manufacturing and wholesaling of these items becomes taxable under the preferential B&O tax rate of 0.138% (RCW 82.04.4269).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	17	\$594,570
50 or more	9	1,597,947
Total	26	\$2,192,517

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	184	46.7%	53.3%
50 or more	3,989	68.6%	31.4%
Total	4,173	67.6%	32.4%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$5,792,318	87.2%	12.8%
50 or more	179,582,291	92.5%	7.5%
Total	\$185,374,609	92.3%	7.7%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	110	82.7%	15.5%	1.8%
50 or more	3,164	84.6%	4.6%	10.7%
Total	3,274	84.6%	5.0%	10.4%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$5,038,432	93.8%	5.6%	0.6%
50 or more	169,300,548	96.7%	0.8%	2.5%
Total	\$174,338,980	96.6%	1.0%	2.4%

Chapter 3 – Employer credit programs

There are three employer credit programs requiring a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive with three or more participants. The executive summary lists incentives not reported or containing confidential taxpayer information.

Customized employment training B&O tax credit

Businesses may use a B&O credit for half the costs of the customized workforce training paid to the State Board for Community Colleges. The credit must be used by June 30, 2026 (RCW 82.04.449.)

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 250	4	\$6,881
Total	4	\$6,881

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 250	309	52.1%	47.9%
Total	309	52.1%	47.9%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 250	\$11,711,783	69.5%	30.5%
Total	\$11,711,783	69.5%	30.5%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 250	255	99.2%	0.8%	0.0%
Total	255	99.2%	0.8%	0.0%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 250	\$10,263,030	99.7%	0.3%	0.0%
Total	\$10,263,030	99.7%	0.3%	0.0%

Customized employment training B&O tax credit

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	18	7.1%
Business, financial, and legal operations	7	2.7%
Computer, math, architect, and engineer	15	5.9%
Life, physical, and social science	0	0.0%
Community and social services	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners and support	0	0.0%
Protective services and maintenance	0	0.0%
Sales and service	47	18.4%
Office and administrative support	10	3.9%
Construction and extraction	0	0.0%
Installation, maintenance, and repair	6	2.4%
Production and non-construction trades	140	54.9%
Transportation and material moving	11	4.3%
Other	1	0.4%
Total	255	100.0%

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	100.0%	0.0%	0.0%
Computer, math, architect, and engineer	100.0%	0.0%	0.0%
Life, physical, and social science	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	0.0%	0.0%
Sales and service	97.9%	2.1%	0.0%
Office and administrative support	100.0%	0.0%	0.0%
Construction and extraction	0.0%	0.0%	0.0%
Installation, maintenance, and repair	100.0%	0.0%	0.0%
Production and non-construction trades	99.3%	0.7%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	100.0%	0.0%	0.0%
Total	99.2%	0.8%	0.0%

Customized employment training B&O tax credit

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01- \$20.00	\$20.01- \$25.00	\$25.01- \$30.00	\$30.01- \$50.00	\$50.01 & over
Management	0.0%	11.1%	0.0%	0.0%	44.4%	44.4%
Business, financial, and legal operations	0.0%	0.0%	0.0%	14.3%	28.6%	57.1%
Computer, math, architect, and engineer	0.0%	20.0%	0.0%	26.7%	33.3%	20.0%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sales and service	0.0%	2.1%	17.0%	17.0%	51.1%	12.8%
Office and administrative support	0.0%	20.0%	0.0%	20.0%	40.0%	20.0%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	16.7%	33.3%	33.3%	16.7%	0.0%
Production and non-construction trades	39.3%	9.3%	16.4%	21.4%	12.1%	1.4%
Transportation and material moving	0.0%	9.1%	18.2%	36.4%	36.4%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Total	21.6%	9.0%	13.7%	20.0%	25.9%	9.8%

Veteran employer B&O tax credit

Businesses that employ a previously unemployed veteran in a permanent full-time position in Washington for at least two consecutive calendar quarters on or after October 1, 2016, and before June 30, 2022, receive a B&O tax credit. The credit equals 20% of the wages and benefits the business paid to the qualified employee. The credit cannot exceed \$1,500 per qualified employee. Businesses may use the credit against B&O or public utility taxes, but not both. Statewide, the total credit may not exceed \$500,000 per fiscal year. Businesses receive credits on a first-in-time basis and can earn credits through June 30, 2022. Businesses must use the credit by June 30, 2023 (RCW 82.04.4498).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 10	9	\$9,639
10 or more	4	\$8,290
Total	13	\$17,929

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 10	52	48.1%	51.9%
10 or more	1,213	47.7%	52.3%
Total	1,265	47.7%	52.3%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 10	\$2,263,375	75.6%	24.4%
10 or more	43,894,544	77.7%	22.3%
Total	\$46,157,919	77.6%	22.4%

Veteran employer B&O tax credit

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 10	48	91.7%	6.3%	2.1%
10 or more	1,028	74.6%	0.7%	24.7%
Total	1,076	75.4%	0.9%	23.7%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 10	\$2,136,821	98.7%	1.1%	0.2%
10 or more	19,817,714	94.5%	0.2%	5.2%
Total	\$21,954,535	94.9%	0.3%	4.7%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	23	2.1%
Business, financial, and legal operations	4	0.4%
Computer, math, architect, and engineer	6	0.6%
Life, physical, and social science	0	0.0%
Community and social services	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners and support	0	0.0%
Protective services and maintenance	12	1.1%
Sales and service	11	1.0%
Office and administrative support	76	7.1%
Construction and extraction	177	16.4%
Installation, maintenance, and repair	0	0.0%
Production and non-construction trades	762	70.8%
Transportation and material moving	4	0.4%
Other	1	0.1%
Total	1,076	100.0%

Veteran employer B&O tax credit

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	100.0%	0.0%	0.0%
Computer, math, architect, and engineer	100.0%	0.0%	0.0%
Life, physical, and social science	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%
Protective services and maintenance	100.0%	0.0%	0.0%
Sales and service	54.5%	45.5%	0.0%
Office and administrative support	86.8%	13.2%	0.0%
Construction and extraction	97.7%	2.3%	0.0%
Installation, maintenance, and repair	0.0%	0.0%	0.0%
Production and non-construction trades	67.7%	32.3%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	100.0%	0.0%	0.0%
Total	75.4%	24.6%	0.0%

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01-\$20.00	\$20.01-\$25.00	\$25.01-\$30.00	\$30.01-\$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	0.0%	21.7%	78.3%
Business, financial, and legal operations	0.0%	75.0%	0.0%	0.0%	0.0%	25.0%
Computer, math, architect, and engineer	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Sales and service	27.3%	18.2%	0.0%	0.0%	45.5%	9.1%
Office and administrative support	6.6%	13.2%	18.4%	13.2%	30.3%	18.4%
Construction and extraction	2.3%	19.2%	33.9%	15.8%	18.6%	10.2%
Installation, maintenance, and repair	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Production and non-construction trades	37.1%	44.8%	11.3%	2.4%	3.9%	0.5%
Transportation and material moving	0.0%	0.0%	75.0%	25.0%	0.0%	0.0%
Other	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Total	27.4%	36.2%	16.4%	5.6%	9.2%	5.2%

Chapter 4 – General manufacturing industry

There are three general manufacturing industry incentives requiring a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive.

High unemployment county sales and use tax deferral

Manufacturers investing in qualifying counties 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 for projects 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. Participants submitted applications for this deferral prior to July 1, 2020 (RCW 82.60).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	32	\$12,339,630
50 to 250	24	13,787,401
More than 250	11	9,502,141
Total	67	\$35,629,173

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	1,983	52.5%	47.5%
50 to 250	3,836	63.9%	36.1%
More than 250	9,568	68.8%	31.2%
Total	15,387	65.5%	34.5%

Percent of wages based on quarters worked%

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$98,162,500	83.5%	16.5%
50 to 250	186,548,130	85.9%	14.1%
More than 250	502,866,952	82.9%	17.1%
Total	\$787,577,582	83.7%	16.3%

High unemployment county sales and use tax deferral

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	825	86.9%	12.7%	0.4%
50 to 250	3,110	95.1%	4.4%	0.5%
More than 250	8,718	94.7%	4.9%	0.4%
Total	12,653	94.3%	5.3%	0.4%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$44,191,800	97.5%	2.5%	0.0%
50 to 250	172,443,722	98.9%	1.0%	0.1%
More than 250	487,249,449	97.9%	2.0%	0.1%
Total	\$703,884,971	98.1%	1.8%	0.1%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	1,053	8.3%
Business, financial, and legal operations	406	3.2%
Computer, math, architect, and engineer	729	5.8%
Life, physical, and social science	135	1.1%
Community and social services	23	0.2%
Education, training, and library	12	0.1%
Healthcare practitioners and support	1	0.0%
Protective services and maintenance	89	0.7%
Sales and service	548	4.3%
Office and administrative support	761	6.0%
Construction and extraction	218	1.7%
Installation, maintenance, and repair	636	5.0%
Production and non-construction trades	7,339	58.0%
Transportation and material moving	573	4.5%
Other	130	1.0%
Total	12,653	100.0%

High unemployment county sales and use tax deferral

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	99.1%	0.9%	0.0%
Business, financial, and legal operations	98.8%	1.2%	0.0%
Computer, math, architect, and engineer	98.8%	1.2%	0.0%
Life, physical, and social science	98.5%	1.5%	0.0%
Community and social services	100.0%	0.0%	0.0%
Education, training, and library	100.0%	0.0%	0.0%
Healthcare practitioners and support	100.0%	0.0%	0.0%
Protective services and maintenance	86.5%	13.5%	0.0%
Sales and service	70.4%	29.6%	0.0%
Office and administrative support	96.7%	3.3%	0.0%
Construction and extraction	92.7%	5.5%	1.8%
Installation, maintenance, and repair	99.2%	0.8%	0.0%
Production and non-construction trades	95.0%	5.0%	0.0%
Transportation and material moving	87.3%	12.7%	0.0%
Other	91.5%	8.5%	0.0%
Total	94.5%	5.5%	0.1%

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01-\$20.00	\$20.01-\$25.00	\$25.01-\$30.00	\$30.01-\$50.00	\$50.01 & over
Management	0.4%	1.5%	1.9%	5.3%	35.5%	55.4%
Business, financial, and legal operations	0.7%	5.2%	18.5%	23.2%	40.4%	12.1%
Computer, math, architect, and engineer	0.1%	1.4%	6.9%	8.2%	57.2%	26.2%
Life, physical, and social science	0.0%	7.4%	38.5%	17.0%	18.5%	18.5%
Community and social services	0.0%	21.7%	0.0%	26.1%	43.5%	8.7%
Education, training, and library	0.0%	8.3%	8.3%	41.7%	41.7%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Protective services and maintenance	4.5%	40.4%	20.2%	10.1%	22.5%	2.2%
Sales and service	21.5%	23.2%	8.6%	11.1%	27.4%	8.2%
Office and administrative support	0.5%	20.4%	27.1%	19.6%	28.6%	3.8%
Construction and extraction	0.0%	13.3%	50.9%	7.8%	12.4%	15.6%
Installation, maintenance, and repair	0.3%	9.3%	20.9%	33.2%	34.9%	1.4%
Production and non-construction trades	5.4%	39.8%	29.5%	12.5%	11.6%	1.2%
Transportation and material moving	5.8%	34.0%	27.7%	15.0%	15.2%	2.3%
Other	16.9%	30.8%	12.3%	13.8%	22.3%	3.8%
Total	4.6%	28.6%	24.2%	13.5%	20.5%	8.5%

Manufacturers sales and use tax deferral

The “Invest in Washington” pilot program creates a sales and use tax deferral for two investment projects per calendar year. The deferral applies to sales and use taxes on up to \$10 million in charges for the construction, expansion, or renovation of facilities and purchases of eligible machinery and equipment. One project must be in eastern Washington and one project must be in western Washington. Projects approved for a high unemployment county sales and use tax deferral (RCW 82.60) cannot receive this deferral, and projects cannot receive multiple pilot program deferrals. This program expires January 1, 2026 (RCW 82.85).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 600	4	\$1,648,834
Total	4	\$1,648,834

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 600	431	49.2%	50.8%
Total	431	49.2%	50.8%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 600	\$19,834,116	70.8%	29.2%
Total	\$19,834,116	70.8%	29.2%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 600	265	95.1%	1.1%	3.8%
Total	265	95.1%	1.1%	3.8%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 600	\$19,781,447	98.2%	0.8%	1.0%
Total	\$19,781,447	98.2%	0.8%	1.0%

Manufacturers sales and use tax deferral

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	42	15.8%
Business, financial, and legal operations	14	5.3%
Computer, math, architect, and engineer	1	0.4%
Life, physical, and social science	0	0.0%
Community and social services	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners and support	0	0.0%
Protective services and maintenance	0	0.0%
Sales and service	28	10.6%
Office and administrative support	9	3.4%
Construction and extraction	0	0.0%
Installation, maintenance, and repair	33	12.5%
Production and non-construction trades	124	46.8%
Transportation and material moving	14	5.3%
Other	0	0.0%
Total	265	100.0%

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	92.9%	7.1%	0.0%
Computer, math, architect, and engineer	100.0%	0.0%	0.0%
Life, physical, and social science	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	0.0%	0.0%
Sales and service	100.0%	0.0%	0.0%
Office and administrative support	100.0%	0.0%	0.0%
Construction and extraction	0.0%	0.0%	0.0%
Installation, maintenance, and repair	100.0%	0.0%	0.0%
Production and non-construction trades	91.1%	8.9%	0.0%
Transportation and material moving	100.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%
Total	95.5%	4.5%	0.0%

Manufacturers sales and use tax deferral

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01- \$20.00	\$20.01- \$25.00	\$25.01- \$30.00	\$30.01- \$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	0.0%	52.4%	47.6%
Business, financial, and legal operations	0.0%	7.1%	28.6%	50.0%	14.3%	0.0%
Computer, math, architect, and engineer	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sales and service	0.0%	17.9%	7.1%	17.9%	50.0%	7.1%
Office and administrative support	0.0%	11.1%	66.7%	0.0%	22.2%	0.0%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	18.2%	57.6%	12.1%	12.1%	0.0%
Production and non-construction trades	0.0%	23.4%	43.5%	21.0%	12.1%	0.0%
Transportation and material moving	0.0%	7.1%	14.3%	64.3%	14.3%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.0%	16.2%	32.8%	19.2%	23.4%	8.3%

Chapter 5 - High technology industry

Four high technology industry incentives require a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive.

Biotechnology sales and use tax deferral

Biotechnology product and medical device manufacturers are eligible for a deferral of 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. Participants submitted applications for this deferral prior to January 1, 2017 (RCW 82.75).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 2,000	6	\$4,871,928
Total	6	\$4,871,928

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 2,000	2,682	56.0%	44.0%
Total	2,682	56.0%	44.0%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 2,000	\$379,975,830	68.9%	31.1%
Total	\$379,975,830	68.9%	31.1%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 2,000	2,129	98.7%	0.4%	0.8%
Total	2,129	98.7%	0.4%	0.8%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 2,000	\$370,024,288	99.7%	0.2%	0.1%
Total	\$370,024,288	99.7%	0.2%	0.1%

Data center sales and use tax exemption

A sales and use tax exemption on qualified purchases of eligible server equipment and eligible power infrastructure exists for data centers located in a rural county. The exemption includes charges for labor and services associated with installation of the equipment and power infrastructure. The law limits this exemption to eight data centers that began construction on or after July 1, 2015, but before July 1, 2019, and an additional four data centers that began construction on or after July 1, 2019, but before July 1, 2025. This exemption expires based on when the participant applied for the program (RCW 82.82.08.986, 82.12.986).

Note: The employee count represents the total employees in Washington for the participant and not the employees located at the data center.

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	16	\$28,050,156
50 or more	6	66,873,668
Total	22	\$94,923,824

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	228	72.4%	27.6%
50 or more	147,179	83.4%	16.6%
Total	147,407	83.4%	16.6%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$21,525,443	88.6%	11.4%
50 or more	18,109,994,961	92.0%	8.0%
Total	\$18,131,520,404	92.0%	8.0%

Data center sales and use tax exemption

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	220	98.6%	1.4%	0.0%
50 or more	147,126	93.1%	5.0%	1.8%
Total	147,346	93.1%	5.0%	1.8%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$21,294,833	99.4%	0.6%	0.0%
50 or more	18,105,600,885	98.8%	1.0%	0.2%
Total	\$18,126,895,718	98.8%	1.0%	0.2%

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	18,205	12.4%
Business, financial, and legal operations	16,041	10.9%
Computer, math, architect, and engineer	58,288	39.6%
Life, physical, and social science	130	0.1%
Community and social services	6	0.0%
Education, training, and library	216	0.1%
Healthcare practitioners and support	39	0.0%
Protective services and maintenance	1,206	0.8%
Sales and service	19,365	13.1%
Office and administrative support	4,320	2.9%
Construction and extraction	101	0.1%
Installation, maintenance, and repair	4,254	2.9%
Production and non-construction trades	21,868	14.8%
Transportation and material moving	1,945	1.3%
Other	1,362	0.9%
Total	147,346	100.0%

Data center sales and use tax exemption

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	99.5%	0.2%	0.3%
Business, financial, and legal operations	98.4%	1.1%	0.5%
Computer, math, architect, and engineer	99.2%	0.3%	0.5%
Life, physical, and social science	100.0%	0.0%	0.0%
Community and social services	100.0%	0.0%	0.0%
Education, training, and library	99.5%	0.5%	0.0%
Healthcare practitioners and support	100.0%	0.0%	0.0%
Protective services and maintenance	99.9%	0.1%	0.0%
Sales and service	54.9%	33.7%	11.4%
Office and administrative support	97.0%	2.5%	0.5%
Construction and extraction	100.0%	0.0%	0.0%
Installation, maintenance, and repair	90.6%	7.9%	1.6%
Production and non-construction trades	100.0%	0.0%	0.0%
Transportation and material moving	97.2%	2.4%	0.4%
Other	99.9%	0.1%	0.0%
Total	93.1%	5.0%	1.8%

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01-\$20.00	\$20.01-\$25.00	\$25.01-\$30.00	\$30.01-\$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	6.8%	7.0%	86.2%
Business, financial, and legal operations	0.0%	1.6%	1.4%	3.9%	24.7%	68.3%
Computer, math, architect, and engineer	0.0%	0.1%	0.1%	0.6%	7.8%	91.4%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	46.9%	53.1%
Community and social services	0.0%	0.0%	0.0%	0.0%	83.3%	16.7%
Education, training, and library	0.0%	0.0%	0.0%	0.5%	20.4%	79.2%
Healthcare practitioners and support	0.0%	0.0%	0.0%	17.9%	51.3%	30.8%
Protective services and maintenance	2.7%	14.4%	13.9%	4.6%	36.8%	27.4%
Sales and service	0.0%	37.0%	8.8%	29.2%	2.8%	22.2%
Office and administrative support	0.0%	2.8%	0.7%	8.1%	40.2%	48.3%
Construction and extraction	0.0%	2.0%	20.8%	2.0%	72.3%	3.0%
Installation, maintenance, and repair	0.0%	8.0%	3.1%	9.1%	79.8%	0.0%
Production and non-construction trades	0.0%	2.9%	16.8%	5.6%	71.4%	3.4%
Transportation and material moving	0.0%	1.7%	2.8%	10.8%	49.3%	35.3%
Other	0.0%	0.0%	0.1%	0.3%	32.3%	67.3%
Total	0.0%	6.0%	4.1%	6.8%	22.5%	60.6%

High technology sales and use tax deferral

Businesses engaged in certain high technology research and development activities, or pilot scale manufacturing, are eligible for a deferral of sales and use taxes 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. Participants submitted applications for this deferral prior to January 1, 2015 (RCW 82.63).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	8	\$168,992
50 to 250	20	27,611,659
More than 250	25	354,004,339
Total	53	\$381,784,990

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	206	56.8%	43.2%
50 to 250	2,376	68.4%	31.6%
More than 250	255,045	70.0%	30.0%
Total	257,627	69.9%	30.1%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$23,853,807	78.9%	21.1%
50 to 250	256,593,756	82.1%	17.9%
More than 250	41,180,365,561	84.2%	15.8%
Total	\$41,460,813,124	84.2%	15.8%

High technology sales and use tax deferral

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	165	90.9%	9.1%	0.0%
50 to 250	2,037	95.6%	4.0%	0.3%
More than 250	243,071	90.8%	7.5%	1.8%
Total	245,273	90.8%	7.4%	1.8%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$21,922,370	94.6%	5.4%	0.0%
50 to 250	237,420,041	98.9%	1.1%	0.0%
More than 250	39,342,699,859	97.8%	2.0%	0.2%
Total	\$39,602,042,270	97.8%	2.0%	0.2%

Incentive amounts by high technology category

High technology category	Number of participants reporting in each category*	Incentive claimed
Advanced computing	18	\$253,437,221
Advanced materials	8	11,675,029
Biotechnology	26	88,731,848
Electronic devices	15	22,779,829
Environmental	4	5,161,063
Total	71	\$381,784,990

*Total does not agree with the first table because some participants may report under multiple technology categories.

Public research institution equipment sales and use tax exemption

The sale of machinery and equipment used primarily in a research and development operation at public research institutions is exempt from sales and use tax (RCW 82.08.025651, 82.12.025651).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
250 or more	3	\$5,254,108
Total	3	\$5,254,108

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
250 or more	50,914	67.1%	32.9%
Total	50,914	67.1%	32.9%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
250 or more	\$3,189,345,692	81.0%	19.0%
Total	\$3,189,345,692	81.0%	19.0%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
250 or more	50,914	68.1%	25.1%	6.9%
Total	50,914	68.1%	25.1%	6.9%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
250 or more	\$3,189,345,691	80.5%	17.3%	2.2%
Total	\$3,189,345,691	80.5%	17.3%	2.2%

Incentive amounts by high technology category

High technology category	Number of participants	Incentive claimed
Advanced computing	CTI	CTI
Advanced materials	CTI	CTI
Biotechnology	CTI	CTI
Electronic devices	CTI	CTI
Environmental	CTI	CTI
Total	3	\$5,254,108

Chapter 6 - Renewable energy industry

Three renewable energy industry incentives require a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive with three or more participants. The executive summary lists incentives not reported or containing confidential taxpayer information.

Renewable energy light and power business public utility tax (PUT) credit

A light and power business may take a credit against PUT for amounts paid to customers as investment cost recovery incentives for renewable energy systems. The credit for a fiscal year may not exceed 1.5% of the business's Calendar Year 2014 taxable sales or \$250,000, whichever is greater. The right to earn tax credits expires June 30, 2029. A light and power business may not claim credits after June 30, 2030 (RCW 82.16.130).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	19	\$1,522,335
50 to 250	18	3,702,051
More than 250	8	10,180,666
Total	45	\$15,405,051

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	586	78.3%	21.7%
50 to 250	2,585	79.5%	20.5%
More than 250	10,092	84.7%	15.3%
Total	13,263	83.4%	16.6%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$48,153,678	92.6%	7.4%
50 to 250	226,243,941	92.2%	7.8%
More than 250	1,162,807,199	90.2%	9.8%
Total	\$1,437,204,818	90.6%	9.4%

Renewable energy light and power business public utility tax (PUT) credit

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	519	92.9%	6.6%	0.6%
50 to 250	2,389	90.9%	6.0%	3.1%
More than 250	9,646	96.6%	1.3%	2.1%
Total	12,554	95.4%	2.4%	2.2%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$46,650,010	98.6%	1.3%	0.1%
50 to 250	219,396,194	98.6%	0.9%	0.5%
More than 250	1,134,937,310	99.0%	0.6%	0.4%
Total	\$1,400,983,514	98.9%	0.7%	0.4%

Solar energy systems manufacturers or wholesalers reduced B&O tax rates

The B&O tax rate on the manufacturing of solar energy systems or the production of silicon components for these systems is 0.275% until July 1, 2027. If no preferential rate existed, the rate would be 0.484% (RCW 82.04.294).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 600	3	\$19,522
Total	3	\$19,522

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 600	78	88.5%	11.5%
Total	78	88.5%	11.5%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 600	\$12,145,134	96.0%	4.0%
Total	\$12,145,134	96.0%	4.0%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 600	78	100.0%	0.0%	0.0%
Total	78	100.0%	0.0%	0.0%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 600	\$12,145,134	100.0%	0.0%	0.0%
Total	\$12,145,134	100.0%	0.0%	0.0%

Solar energy systems manufacturers or wholesalers reduced B&O tax rates

Distribution of employees by occupation class

Occupational class	Number of employees	Percentage of employees
Management	23	29.5%
Business, financial, and legal operations	3	3.8%
Computer, math, architect, and engineer	6	7.7%
Life, physical, and social science	9	11.5%
Community and social services	0	0.0%
Education, training, and library	0	0.0%
Healthcare practitioners and support	0	0.0%
Protective services and maintenance	1	1.3%
Sales and service	0	0.0%
Office and administrative support	2	2.6%
Construction and extraction	0	0.0%
Installation, maintenance, and repair	9	11.5%
Production and non-construction trades	25	32.1%
Transportation and material moving	0	0.0%
Other	0	0.0%
Total	78	100.0%

Percent of employees by employment status and occupation class

Occupational class	Full-time	Part-time	Temporary
Management	100.0%	0.0%	0.0%
Business, financial, and legal operations	100.0%	0.0%	0.0%
Computer, math, architect, and engineer	100.0%	0.0%	0.0%
Life, physical, and social science	100.0%	0.0%	0.0%
Community and social services	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%
Protective services and maintenance	100.0%	0.0%	0.0%
Sales and service	0.0%	0.0%	0.0%
Office and administrative support	100.0%	0.0%	0.0%
Construction and extraction	0.0%	0.0%	0.0%
Installation, maintenance, and repair	100.0%	0.0%	0.0%
Production and non-construction trades	100.0%	0.0%	0.0%
Transportation and material moving	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%
Total	100.0%	0.0%	0.0%

Solar energy systems manufacturers or wholesalers reduced B&O tax rates

Percent distribution of employees by occupation class and hourly wage range

Occupational class	Up to \$15.00	\$15.01- \$20.00	\$20.01- \$25.00	\$25.01- \$30.00	\$30.01- \$50.00	\$50.01 & over
Management	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Business, financial, and legal operations	0.0%	0.0%	0.0%	0.0%	33.3%	66.7%
Computer, math, architect, and engineer	0.0%	0.0%	0.0%	16.7%	33.3%	50.0%
Life, physical, and social science	0.0%	0.0%	0.0%	0.0%	66.7%	33.3%
Community and social services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Education, training, and library	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Healthcare practitioners and support	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Protective services and maintenance	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Sales and service	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Office and administrative support	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%
Construction and extraction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Installation, maintenance, and repair	0.0%	0.0%	0.0%	77.8%	11.1%	11.1%
Production and non-construction trades	0.0%	0.0%	0.0%	44.0%	52.0%	4.0%
Transportation and material moving	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	26.9%	30.8%	42.3

Chapter 7 - Timber Industry

Two timber industry incentives require a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive.

Hog fuel sales and use tax exemption (by facility)

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, but excludes firewood and wood pellets. Participants submit the annual tax performance report for this incentive by facility. This exemption expires June 30, 2024 (RCW 82.08.956; 82.12.956).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 250	7	\$1,283,390
250 or more	7	995,204
Total	14	\$2,278,594

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 250	1,405	71.6%	28.4%
250 or more	3,403	73.8%	26.2%
Total	4,808	73.2%	26.8%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 250	\$103,952,740	85.8%	14.2%
250 or more	264,082,376	78.1%	21.9%
Total	\$368,035,116	80.3%	19.7%

Hog fuel sales and use tax exemption (by facility)

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 250	844	99.5%	0.5%	0.0%
250 or more	3,018	100.0%	0.0%	0.0%
Total	3,862	99.9%	0.1%	0.0%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 250	\$56,274,000	99.8%	0.0%	0.0%
250 or more	224,714,406	100.0%	0.2%	0.0%
Total	\$280,988,406	100.0%	0.0%	0.0%

Timber and wood products reduced B&O tax rates

Persons extracting or manufacturing timber and selling timber and wood products at wholesale receive a preferential B&O tax rate of 0.2904% (0.3424% after including the 0.052% surcharge to finance riparian habitat). This preferential tax rate expires July 1, 2045. At that time, income from these activities becomes taxable under the B&O tax rate of 0.484% (RCW 82.04.260(12)).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	586	\$4,634,980
50 to 250	53	3,927,274
More than 250	16	8,819,279
Total	655	\$17,381,532

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	4,675	56.0%	44.0%
50 to 250	7,029	63.9%	36.1%
More than 250	9,623	72.9%	27.1%
Total	21,327	66.2%	33.8%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$220,713,929	83.3%	16.7%
50 to 250	450,667,702	85.2%	14.8%
More than 250	728,250,179	82.3%	17.7%
Total	\$1,399,631,810	83.4%	16.6%

Timber and wood products reduced B&O tax rates

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	3,228	81.2%	15.0%	3.9%
50 to 250	5,867	98.0%	1.9%	0.1%
More than 250	8,812	99.1%	0.6%	0.4%
Total	17,907	95.5%	3.6%	0.9%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$145,366,910	94.0%	5.1%	0.9%
50 to 250	422,139,647	99.4%	0.4%	0.1%
More than 250	678,101,358	99.6%	0.3%	0.1%
Total	\$1,245,607,915	98.9%	0.9%	0.2%

Chapter 8 – Other programs

There are 13 other programs requiring a participant to submit an annual tax performance report. This chapter shows the cumulative results for each incentive with three or more participants. The executive summary lists incentives not reported or containing confidential taxpayer information.

Newspaper reduced B&O tax rate

Businesses in the newspaper industry receive a preferential B&O tax rate for printing and/or publishing newspapers. This B&O tax rate is 0.35% until July 1, 2024, at which time the rate increases to 0.484%.

The definition of “newspaper” for B&O tax purposes includes electronic versions of a printed newspaper. The preferential rate applies to advertising and subscription revenues generated from the online version of a printed newspaper (RCW 82.04.260(14a)).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 50	60	\$145,862
50 or more	11	\$305,517
Total	71	\$451,379

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	622	63.7%	36.3%
50 or more	2,172	62.3%	37.7%
Total	2,794	62.6%	37.4%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 50	\$24,835,748	82.9%	17.1%
50 or more	91,875,210	86.9%	13.1%
Total	\$116,710,958	86.0%	14.0%

Newspaper reduced B&O tax rate

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 50	542	67.9%	32.1%	0.0%
50 or more	1,805	83.6%	14.8%	1.6%
Total	2,347	80.0%	18.8%	1.2%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 50	\$21,252,382	89.4%	10.6%	0.0%
50 or more	86,051,843	93.4%	6.2%	0.4%
Total	\$107,304,225	92.6%	7.1%	0.4%

Washington Filmworks contributors B&O tax credit

Businesses contributing to the Washington motion picture competitiveness program receive a B&O tax credit equal to the lesser of the contribution made or \$750,000 for each contributor. The total statewide credit cannot exceed \$3.5 million a year. Businesses cannot earn credits after June 30, 2027, and must claim the credit on returns by December 31, 2030 (RCW 82.04.4489).

Incentive amount by participant size

Employment size	Participants	Incentive claimed
Less than 250	6	\$174,886
More than 250	5	\$3,325,114
Total	11	\$3,500,000

Annual employment data for Calendar Year 2021

Percent of employees based on quarters worked

Employment size	WA Employees	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 250	139	61.9%	38.1%
More than 250	5,461	63.2%	36.8%
Total	5,600	63.1%	36.9%

Percent of wages based on quarters worked

Employment size	Total wages	Employees who worked all four quarters	Employees who worked less than four quarters
Less than 250	\$10,707,031	86.8%	13.2%
More than 250	431,254,056	81.9%	18.1%
Total	\$441,961,087	82.0%	18.0%

Annual employment data for employees employed on December 31, 2021

Percent of employees by job status

Employment size	WA employees	Full-time	Part-time	Temporary
Less than 250	135	88.1%	11.9%	0.0%
More than 250	6,736	93.3%	6.4%	0.2%
Total	6,871	93.2%	6.5%	0.2%

Percent of wages by employment status

Employment size	Total wages	Full-time	Part-time	Temporary
Less than 250	\$10,707,031	95.4%	4.6%	0.0%
More than 250	595,591,444	98.1%	1.9%	0.0%
Total	\$606,298,475	98.1%	1.9%	0.0%