

Special Notice

Intended audience: Small businesses.

December 1, 2022

Business and occupation tax credit increase for small businesses

Beginning with filing periods that start on or after January 1, 2023, the business and occupation (B&O) tax credit for small businesses increases.

What changed?

For businesses that report 50% or more of their income under Service and Other Activities, Gambling Contests of Chance, For Profit Hospitals, and/or Scientific R&D, the maximum credit increases to \$160 per month.

For all other B&O tax classifications, the maximum credit increases to \$55 per month.

What do I need to do?

Nothing. Our system will automatically calculate your small business B&O tax credit when you file electronically.

More information

[RCW 82.04.4451](#)

Questions?

Visit dor.wa.gov or call 360-705-6705.