

Special Notice

Intended audience: Businesses operating contests chance and parimutuel wagering.

July 1, 2023

Business and occupation (B&O) tax rate increase for Contests of Chance (\$50,000 or more a year) and Parimutuel Wagering

Effective July 1, 2023, the tax rate imposed on businesses operating Contests of Chance (\$50,000 a year or greater) increases from 1.63% to 1.7% through June 30, 2024, and 1.76% thereafter. The tax rate imposed on businesses engaging in Parimutuel Wagering increases from from .13% to .20% through June 30, 2024, and .26% thereafter.

How do I report my income beginning July 1, 2023?

Gambling Contests of chance (less than \$50,000 a year)

If your annual taxable amount from operating Contests of Chance is \$50,000 or less a year you will report under the Gambling Contests of Chance (\$50,000 or less) classification at a rate of 1.5%.

Gambling Contests of Chance (\$50,000 a year or greater)

If your annual taxable amount from operating Contests of Chance is \$50,000 a year or greater you will report under the Gambling Contests of Chance (\$50,000 or more a year) classification at a rate of 1.7% through June 30, 2024, and 1.76% thereafter.

Parimutuel Wagering

Persons engaging in Parimutuel Wagering will report under the Parimutuel Wagering classification at a rate of 0.20% through June 30, 2024, and .26% thereafter.

Questions?

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

[RCW 82.04.285](#) and [RCW 82.04.286 \(5634-S2,SL, Chapter 284, Laws of 2023\)](#)

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For tax assistance or to request this document in an alternate format, visit dor.wa.gov or call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711.