TAVERN GUIDE

TO WASHINGTON STATE EXCISE TAXES

Summer 2001 Washington State Department of Revenue Taxpayer Services Division

Table of Contents

INTRODUCTION
TAXPAYER RIGHTS AND RESPONSIBILITIES
DEFINITIONS
BUSINESS AND OCCUPATION (B&O) TAX
◆ Overview
◆ Taverns and B&O Tax
RETAIL SALES / USE TAX
• Use Tax
◆ Items Subject to Use Tax
◆ Collecting Retail Sales Tax
♦ Local Sales Tax
 Retail Sales Tax Exemptions and Deductions
 Purchases Subject to Sales or Use Tax
 Purchases for Resale-Not Subject to Tax
◆ Sales Tax Included in the Price
Combination Businesses
 Banquet Room Rentals—With and Without Employees/Bartender
SPECIFIC TOPICS
◆ Cover Charges
 Discount Coupons and Two-for-One Promotions
 Employee Meals
♦ Free Meals
♦ Gratuities
◆ Games and Gambling
OTHER TAXES
♦ Syrup Tax
◆ Litter Tax
Personal Property Tax
◆ Leasehold Excise Tax
TAX EXERCISE
SAMPLE TAX RETURN
RECORD KEEPING REQUIREMENTS
HOW TO PREPARE FOR AN AUDIT
DEPARTMENT SERVICES
OTHER AGENCIES TO CONTACT
INDEX

INTRODUCTION

This **Tavern Tax Guide** was created to assist persons engaged in tavern businesses to better understand the Washington State taxes that apply to their business.

The information provided is current at the time of publication. Please remember state tax laws change on a regular basis and this guide will not reflect any changes that occur after printing.

For additional information or answers to any questions about Washington excise taxes, please contact the Department of Revenue using the telephone number, web site address, or mailing address listed below. Additional information about the Department of Revenue's services is available in the *"Services"* chapter of this tax guide. The *"Referrals"* chapter includes general information about other agencies.

Toll-free Telephone Number:	1-800-647-7706
DOR Web Site:	http://dor.wa.gov
Mailing Address:	Taxpayer Services State of Washington Department of Revenue PO Box 47478 Olympia, WA 98504-7478

TAXPAYER RIGHTS AND RESPONSIBILITIES

THE TAXPAYERS OF THE STATE OF WASHINGTON HAVE THE RIGHT TO:

- Simple and prompt administrative process for tax refunds and credits.
- Timely, fair, and equitable treatment with dignity and respect.
- Accurate, written information on reporting instructions, appeal procedures, refund claims, and reasons for assessment.
- Public hearings on proposed rules.
- Review and appeal of assessments, business registration revocation, and adverse rulings.
- Remedies when statutes and rules are found to be unconstitutional.
- Confidentiality of financial and business information.

THE TAXPAYERS OF THE STATE OF WASHINGTON HAVE THE RESPONSIBILITY TO:

- Register with the Department of Revenue.
- Know their tax reporting obligations and seek instructions when they are uncertain.
- Keep accurate and complete business records.
- File returns and pay taxes in a timely manner.
- Ensure the accuracy of the information entered on their tax returns.
- Substantiate claims for refund.
- Notify the Department of Revenue and pay taxes promptly when closing a business.

DEFINITIONS

Tavern: The term "tavern," as defined by the Liquor Control Board, means any establishment licensed to sell beer and wine. Persons under 21 years of age are not allowed on the premises. Non-alcoholic beverages and food may also be sold at these establishments.

Business and Occupation (B&O) Tax: The B&O tax applies to the gross amount received from conducting business activities in Washington. There are different reporting classifications for various business activities such as retail sales, wholesale sales, and professional services. Each classification has its own tax rate.

The B&O tax is a pyramiding tax. This means each business owes B&O tax on the gross income resulting from its activities. Unlike an income tax that applies to net income, there are no deductions for labor, materials, taxes, rent, or other costs of doing business.

Consumer: A consumer is any person who uses tangible personal property and receives services defined as retail sales. Such tangible personal property or services may be for personal use or conducting business activities. It is important for sellers to know who the consumer is to correctly collect sales tax.

Gross Amount: The term "gross amount," which appears at the top of Column One on the Combined Excise Tax Return, is a "catch-all" term for whichever of the following terms is applicable to your business: "gross proceeds of sale," or "gross income of the business." The gross amount includes all consideration received without deductions for the costs of doing business or other expenses.

Master Application: Persons wishing to register a business with one or more state agencies must complete a Master Application. Upon submitting a Master Application, the person receives a Unified Business Identifier (UBI) number. The person then receives a Master License to post at the business location.

Resale Certificate: A resale certificate is the buyer's written statement that the goods are purchased for resale in the normal course of business without intervening use.

Retail Sales Tax: Retail sales tax is a tax imposed on the buyer of goods and retail services. Sellers are responsible for collecting the tax from the consumer and remitting the tax to the Department of Revenue. The term "sales tax" refers to the combined state and local portion of the tax.

RCW: Revised Code of Washington (state laws)

UBI/Department of Revenue (DOR) Registration Number: Sometimes called a registration, tax, "C," or resale number, the Unified Business Identifier (UBI) number is a nine-digit number used to identify registered businesses. The number is assigned when a person completes a Master Applica-

DEFINITIONS (continued)

tion to register with or obtain a license from state agencies. The Departments of Revenue, Licensing, Employment Security, Labor and Industries, and the Corporations Division of the Secretary of State are among the state agencies participating in the UBI program. In most cases, your UBI number will also be your DOR registration number. Spouses who file separately and businesses who have multiple locations are assigned separate DOR registration numbers as needed.

Use Tax: Use tax is imposed on the acquisition of goods for consumer use in this state when the state's retail sales tax has not been paid. With respect to the use of goods as a consumer, either sales tax or use tax, but not both applies. In this manner, use tax serves to complement the sales tax. Like the sales tax, the use tax is a combined state and local tax. Use tax rates and sales tax rates are the same.

WAC: Washington Administrative Code (administrative rules)

BUSINESS AND OCCUPATION (B&O) TAX

The B&O tax is a gross receipts tax; it applies to the gross income of the business. This means no deduction is allowed for labor, materials, taxes, or other costs of doing business.

The nature of the business activity determines appropriate B&O tax reporting. Different tax classifications with different rates apply for the various business activities. Businesses performing more than one activity may be subject to tax under one or more B&O tax classification.

The state B&O tax is reported on the Department of Revenue's Combined Excise Tax Return. A business may file on a monthly, quarterly, or annual basis, depending on the estimated yearly tax due and the type of business.

Taverns and B&O Tax

The most common B&O tax reporting classifications for taverns and related businesses are:

(a) **Retailing:** Sales to consumers of meals and prepared food, beverages (alcoholic & nonalcoholic), cigarettes and miscellaneous items of tangible personal property are subject to the B&O tax under the retailing classification. Included under this classification is pool, billiards, and shuffleboard income.

(b) **Wholesaling:** Sales to persons other than consumers of prepared food/meals, beverages, etc., are subject to B&O tax under the wholesaling classification. For example, a tavern that sells sandwiches to a nonprofit organization that resells the sandwiches as part of a fund raising activity is making a wholesale sale. The tavern business must obtain a properly completed resale certificate from the buyer to document the wholesale sale.

(c) **Service and Other Activities:** Tavern businesses may receive "other" income, such as compensation or commissions for allowing placement of coin-operated machines at the tavern. This includes coin-operated telephones, cigarette machines, candy, etc. Commissions received from coinoperated machines, pull-tab, punchboard, or bingo games, are taxable under the service and other activities B&O tax classification. Refer to "Games and Gambling" section.

References: RCW 82.08.0293; WAC 458-20-119, 458-20-124, and 458-20-244

In addition to the state B&O tax, some Washington cities impose a B&O tax. The Department of Revenue does not administer the city B&O tax.

RETAIL SALES TAX

Persons making retail sales in Washington must collect retail sales tax. The term "sales tax" refers to the state and local portion of the tax. Tax monies collected are considered trust funds and must be remitted to the Department of Revenue.

Washington's sales tax is computed on the selling price. The selling price is defined to be all consideration received by a seller from a buyer, and therefore includes such charges as mandatory gratuities, shipping, handling, and labor components of a sale.

Use Tax

In general, use tax is due on items "used by a consumer" in the state when retail sales tax has not been paid. Either the sales or use tax applies, not both. Use tax is due when the taxable goods are first used in Washington.

Although sales and use tax is very similar, there is a difference. Sales tax applies to the selling price whereas use tax applies to the value of the item. Local retail sales tax applies at the rate of the location of sale while local use tax applies at the rate of the location where the goods are used.

Items Subject to Use Tax

- Goods purchased in a state with no sales tax or a lower sales tax rate than Washington's;
- Goods purchased from someone who is not authorized to collect sales tax;
- Goods purchased from a mail order catalog company or over the Internet from an out-of-state retailer; and
- Personal property acquired with the purchase of real property.
- ◆ Tangible personal property purchased as prizes for punchboard winners.

Use tax does not apply to purchases made for resale within the normal course of business without intervening use.

References: RCW 82.08.020 and 82.12.020; WAC 458-20-178

Collecting Retail Sales Tax

Retail sales tax applies to the sale of prepared food products by persons required by law to have a food and beverage service worker's permit under RCW 69.06.010 (handling unwrapped or unpackaged food). The sale of items such as meals, prepared sandwiches, deli trays, home delivered pizzas, salads from a salad bar, or foods cooked on the seller's premises are subject to retail sales tax. Unprepared food products are exempt of retail sales tax.

RETAIL SALES (continued)

The following list represents a sample of taxable food/beverage or other items generally sold by taverns:

- Prepared meals
- ◆ Carbonated beverages
- ◆ Hot beverages coffee, tea, chocolate
- ♦ Beer
- ♦ Wine
- ◆ Cigarettes, tobacco products
- Other items of tangible personal property, such as T-shirts and caps.

References: Chapter 82.08 RCW, RCW 82.04.050; WAC 458-20-107 and 458-20-110

Local Sales Tax

Persons making sales at retail must collect the local portion of sales tax along with the state sales tax. Local tax is reported on the Combined Excise Tax Return. Sellers must code their sales according to the location in which the retail sale is made. The sales tax coding on the tax return determines how the Department distributes the local sales and other taxes to local governments around the state. Because local governments depend upon these taxes to fund various local services, it's important to collect and report sales tax for the proper location.

When selling goods or merchandise, the location for local tax purposes is the retail outlet at which or from which delivery is made. Therefore, in respect to taverns, local tax is based on the location of the tavern where beverages and food are sold.

Other local taxes to consider: The following taxes are in addition to the state and local sales tax:

- Regional Transit Authority (RTA): A 0.4 percent tax that is collected in addition to state and local retail sales tax on sales made in portions of King, Pierce, and Snohomish Counties.
- King County Food & Beverage Tax: A 0.5 percent tax that is collected in addition to the state and local retail sales tax and RTA tax on sales of meals and beverages by King County restaurants, taverns, and bars. Sales by convenience stores are exempt from this tax.

A complete list of location codes and tax rates is available in the Tax Return Information and Local Sales and Use Tax Changes flyer that is mailed with the Combined Excise Tax Return.

References: RCW 82.14.020 and 82.08.0293; WAC 458-20-124, 458-20-244, 458-20-145, and 458-20-12401

RETAIL SALES TAX (continued)

Retail Sales Tax Exemptions and Deductions

Bad debts or dishonored checks: The net amount (before tax) of bad debts or dishonored (bad) checks may be deducted when actually charged off the books of account. A dishonored check is deductible to the extent it was taken as payment for goods or services on which business tax was previously reported and paid. A bad debt that was not previously reported may not be deducted. A deduction on the excise tax return is allowed under both the retailing and retail sales tax classification. Any amounts subsequently recovered must be included in gross proceeds of sales. If sent to a collection company, the tavern may not deduct the fees charged by the collection company.

References: WAC 458-20-119, 458-20-196, and 458-20-124; and Special Notice

Purchases Subject to Sales or Use Tax

Tavern businesses must pay retail sales or use tax on purchases of retail services and items used and/ or consumed by the business. In general, this includes items used in the tavern operations that are not for resale and do not become an ingredient of the meal. The following list represents some common items purchased for use by taverns that are subject to tax. Retail sales tax applies to the following:

- Chairs, tables and other furnishings
- Dishes and silverware
- ♦ Glassware
- ♦ Linens
- Pest control
- Tap cleaning
- Vending machines (purchases or rental of)
- Matches, pens, magazine subscriptions
- Equipment, ovens, coffee makers, etc.
- Repair parts and labor
- Supplies and other items used in the tavern operation that are not for resale and do not become an ingredient of the meal.
- Tangible personal property purchased as prizes for punchboard winners.

RETAIL SALES/USE TAX (continued)

Purchases for Resale—Not Subject to Tax

Sales or use tax does not apply to items purchased for resale to customers. A tavern business may use a resale certificate to purchase the following items:

- Inventory/meal ingredients
- Beer
- Wine
- Soft drinks
- Paper plates
- Plastic forks
- Plastic cups
- Paper napkins
- Toothpicks
- To-go food containers

References: RCW 82.08.0293; WAC 458-20-124, 458-20-244, 458-20-102, and 458-20-178

Sales Tax Included in the Price

Generally, if sales slips, sales invoices, or meal checks are given to the customer, the sales tax must be separately stated on the sales receipt. If not separately stated, it is presumed that retail sales tax was not collected and the tavern must report and pay sales tax on the gross receipts of the business.

Taverns may advertise and/or sell meals, beverages, or other items at prices including sales tax. However, when selling in this manner, the menu and other price information must clearly indicate that sales tax is included in the price.

If tax is included in the price, the amount of tax may be backed out of gross receipts to arrive at the amount subject to tax. For example: a pint of beer is sold for 2.00, which includes sales tax. Assuming an 8% rate of tax, the gross amount subject to tax is 1.85 (2.00/1.08).

References: WAC 458-20-107 and 458-20-124

RETAIL SALES/USE TAX (continued)

Combination Businesses

A combination business is a business that sells both taxable and nontaxable items at one location. Businesses making taxable and nontaxable food sales at one location are required to keep their accounting records and sales receipts segregated between taxable and nontaxable sales. If sales are not segregated, retail sales tax applies to all sales.

It is sufficient segregation for accounting purposes if cash registers or electronic checking machines are programmed to identify and separately tax food products that are taxable.

Example: A tavern sells sandwiches and other meals and also sells packaged peanuts. The sale of meals and sandwiches are subject to sales tax. The sale of packaged peanuts is exempt from sales tax if the seller segregates between the taxable and exempt sales.

References: WAC 458-20-124 and 458-20-119

Banquet Room Rentals—With and Without Employees/Bartender

Some tavern businesses provide meeting or banquet rooms in conjunction with providing meals or drinks. Generally, retail sales tax does not apply when a charge is made for the use of the room separate from the charge for meals or drinks. Such amounts are subject to tax under the service and other activities B&O tax classification.

The sale of meals or drinks is subject to retail sales tax and the retailing classification of the B&O tax. If a single charge is made for both, retail sales tax applies to the total amount charged.

The amount subject to tax includes any amounts charged as mandatory gratuities. Refer to the section on "Gratuities."

SPECIFIC TOPICS

Cover Charges

A cover charge is generally a fee charged to allow guests entry for a specific event or activity.

In general, if the cover charge is for the privilege of listening to music or watching a pay-per-view show and no dance floor is available, retail sales tax does not apply. The gross amount received is subject to B&O tax under the service and other activities classification.

A cover charge that entitles guests to an opportunity to dance or to participate in a contest, such as karaoke, is subject to retail sales tax and the retailing classification of the B&O tax.

Sales tax may be included in the amount charged as a cover charge if it is property posted that tax is included. Refer to the "Sales Tax Included" section.

Discount Coupons and Two-for-One Promotions

Discount coupons and two-for-one promotions: Selling meals or beverages on a "two-for-one" or similar basis is not giving away a free meal or beverage, but rather selling meals or beverages at a discounted price. The tax applies to the amount that is actually received by the seller. Therefore, both retailing B&O and retail sales taxes should be calculated on the reduced price, the amount actually received by the tavern.

Example: A customer uses a two-for-one coupon to purchase two meals. The selling price of each meal is \$10.00. Tax applies to \$10.00, the actual amount charged for the two meals. If extra items are sold, such as beverages, tax applies to the \$10.00 plus the amount charged for the beverages.

Employee Meals

Retail sales tax and the retailing B&O tax apply to meals provided to employees. The tax applies whether individual meals are sold, a flat charge is made, or whether meals are furnished as a part of the compensation for services rendered.

Retail sales tax applies to the selling price. Therefore, where a specific and reasonable charge is made to the employee, the measure of the tax is the selling price. Where no specific charge is made, the measure of the tax is the average cost per meal served to each employee, based upon the actual cost of the food.

Where meals furnished to employees are not recorded as sales, the tavern may use an estimate to determine the meal count. The estimate must be based on the restaurant's actual policy regarding

SPECIFIC TOPICS (continued)

employee meals. For example, a tavern may have a policy that every employee working five hours receives a meal.

If the tavern does not have a written policy or a policy cannot be determined, the tax due shall be presumed to apply according to the following formula for determining meal count:

- Those employees working shifts up to five hours, one meal; and
- Employees working shifts of more than five hours, two meals.

Since it is often impractical to collect the retail sales tax from employees on the sale of meals, the employer may, in lieu of collecting such tax from employees, pay the tax directly to the Department of Revenue.

References: RCW 82.04.040 and 82.08.010; WAC 458-20-124 and 458-20-119

Free Meals

Taverns are not required to pay or report retail sales tax or use tax on food products, including meals, actually given away. This exemption does not include carbonated beverages; therefore, carbonated beverages provided free of charge are subject to use tax.

Example: A tavern provides free meals to distributors.

Meals provided to employees are presumed to be in exchange for services and are not considered to be given away. Refer to "Employee Meals" section above.

References: WAC 458-20-119, 458-20-124, and 458-20-108; ETA 408.08.108

Gratuities

Tips or gratuities received under circumstances that are clearly voluntary are not part of the selling price and, therefore, are not subject to sales tax. However, if the tip or gratuity is added to the bill and is a mandatory charge for services, the charge becomes part of the selling price subject to tax.

A gratuity is not voluntary when the amount is agreed upon and the contract document states that a gratuity "will be added." For example, a tavern may have a policy of charging groups of five or more a mandatory 15% gratuity. When a gratuity is applied in this manner, the entire charge is subject to retail sales tax and the retailing classification of the B&O tax.

References: WAC 458-20-119 and 458-20-124

Games and Gambling

Many taverns offer entertainment in the form of games, such as pull-tabs, punchboards, pool, and video games. The tavern may own the games or may receive commissions from the owner for allowing placement of the games or vending machines in the tavern. Tax applies as follows:

Commissions—Taverns that receive commissions from the placement of vending machines or other games are subject to B&O tax under the service and other activities classification.

Pull-Tabs and Punch Boards—Pull tab and punch board games are taxable under the service and other activities B&O tax classification upon all increases arising from the conduct of such games. The term "increases" means gross gambling receipts less the monetary value or, in the case of merchandise, the actual cost of any prizes that are awarded. The actual cost of the merchandise is the amount actually paid by the operator without any markup. In the case of donated merchandise, the operator may deduct the fair market value of the merchandise.

Retail sales tax applies on the purchase of games from suppliers as well as merchandise given as prizes for punchboard winners.

Pool/Darts/Shuffleboard—Participatory activities such as pool, darts, shuffleboard, and billiards are within the definition of "retail sale." Gross receipts from these activities are subject to retail sales tax and the retailing classification of the B&O tax.

Video Games/Amusement Devices—Includes slot, pinball and electronic dart machines, and those machines or devices which permit the patron to see, hear, or read something of interest. Gross receipts are subject to B&O tax under the service and other activities classification.

Card Rooms—Income from operating card rooms is subject to B&O tax under the service and other activities classification.

Games of Chance—Pools, dice games, keno, and similar games of chance are taxed under the service and other activities B&O tax classification on increases. The term "increase" refers to amounts over and above the amounts paid out to winners of a game.

Vending Machines—Retail sales tax applies to the sale of merchandise through vending machines. This includes machines that vend photographs, toilet articles, and cigarettes. Gross proceeds are subject to B&O tax under the retailing classification.

The owner of the machine is liable for reporting and paying the tax. For practical purposes, such persons are authorized to absorb the amount of the tax on the individual sales and to pay directly to

the Department the retail sales tax on the total amount received from vending machines. Retail sales tax does not need to be separately stated from the selling prices or collected separately from the buyer for sales through vending machines. The seller may deduct the tax from the total amount received in the machines to arrive at the net amount, which becomes the measure of the tax.

Reference: WAC 458-20-187

OTHER TAXES

Syrup Tax

The syrup tax is imposed on the wholesale or retail sale of syrups within this state. It is imposed in addition to all other taxes. The tax is imposed on each gallon of product sold. Syrup is a concentrated liquid marketed by manufacturers to which the purchaser adds water and/or carbon dioxide, or, carbonated water to produce a carbonated beverage.

A wholesaler making a wholesale sale of syrup in this state must collect the tax from the buyer and report and pay it to the Department. A retailer making a retail sale of syrup purchased from a whole-saler who has not collected the tax must report and pay the tax directly to the Department.

The tax must be reported on a special line of the combined excise tax return designated "Syrup."

Reference: WAC 458-20-255

Litter Tax

Litter tax is imposed on those industries whose products are reasonably related to the litter problem. The tax applies to manufacturers, wholesalers, and retailers of products falling into the following thirteen categories:

- Food for human or pet consumption
- Groceries
- Cigarettes and tobacco products
- Soft drinks and carbonated waters
- Beer and other malt beverages
- Wine
- Newspapers and magazines
- Household paper and paper products
- ♦ Glass containers
- Metal containers
- Plastic or fiber containers made of synthetic material
- Cleaning agents
- Non-drug drugstore sundry products

The rate of the litter tax is (.00015) (.015%) and it applies to sales made within this state of items falling in the above categories. It is imposed in addition to any other taxes.

Food, groceries, soft drinks, etc., are generally subject to the litter tax. However, the tax does not apply to sales of food and beverages by retailers which are solely for consumption indoors on the seller's premises. Sales of food or beverages that do not meet these conditions are subject to the litter tax. For example, food items sold "to go."

References: WAC 458-20-243; ETA 445.04.243

OTHER TAXES (continued)

Personal Property Tax and Leasehold Excise Tax

Unless specifically exempt, all tangible personal property is subject to the personal property tax. Personal property tax rates are the same as for real property. Personal property includes machinery, equipment, furniture, and supplies of businesses. In general, the characteristic that distinguishes personal property from real property is mobility. Household goods, certain intangibles, and business inventories are specifically exempt from personal property tax. However, if used in a business activity, the tax applies.

Everyone who uses personal property in a business or has taxable personal property must complete a personal property affidavit by April 30 each year. The affidavit must list the taxable personal property located in the county as of 12:00 noon on January 1. The affidavit must include the acquisition cost and year acquired for all taxable property. The assessor uses the affidavit to value personal property for taxes due the following year.

County assessors and treasurers levy and collect the property tax. Every January, county assessors mail personal property affidavits to persons who have previously listed personal property. Businesses that do not receive an affidavit or that have questions regarding paying real and/or personal property taxes should contact their local county treasurer's office. The number is listed in the county government section of the telephone directory.

Leasehold Excise Tax

Persons or businesses that lease or occupy publicly owned real or personal property are subject to leasehold excise tax. The tax applies in lieu of county property tax. Public property is property owned by the federal government, state of Washington, counties, school districts, and other municipal corporations.

The amount subject to tax is generally the amount of rent paid to the lessor. Certain expenses and improvements may also be included in the taxable amount.

Generally, the tax is collected by the public entity leasing property to private lessees, however, lessees of federal property must report directly to the Department of Revenue.

Reference: For more information regarding leasehold excise tax, contact Kathy Forsberg in the Department's Special Programs section at (360) 586-5190.

TAX EXERCISE

Mabel's Tavern sells beer, wine, meals, and miscellaneous merchandise. They also have pull tabs and punchboards. They receive commissions for a public telephone and a juke box located on their premises.

The tavern has a monthly reporting frequency. During the month of April 2001, tavern revenues were as follows:

<u>Category</u>	Amount	Classification
Beer sales	\$4,000	Retail
Wine sales	\$1,000	Retail
Meals	\$700	Retail
Merchandise	\$150	Retail
Pull-tab revenue	\$2,000	Service
Pull-tab pay outs	\$1,600	Service
Punchboard revenue	\$500	Service
Punchboard pay outs	\$400	Service
Bad checks	\$30	Retail
Commissions	\$50	Service

Prepare the Combined Excise Tax Return for April 2001. Mabel's Tavern is located in Bremerton. The four-digit location code is 1801 and the local tax rate is 8.2%. The bad check includes tax, therefore, \$27.78 is the total bad debt deduction.

Report the taxes as follows:

Revenues	
Service and Other Activities B&O Tax	\$2,550
Retailing B&O Tax	\$5,850
Retail Sales Tax	\$5,850
Deductions Service and Other Activities B&O Retailing B&O Tax Retail Sales Tax Small Business Credit	\$2,000 \$28 \$28 \$35

APRIL 2001

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COMBINED EXCISE TAX RETURN

State of Washington Department of Revenue

PO Box 34051 Seattle, WA 98124-1051

ONLY Fill in Box if Amended/Supplemental Return Information is Attached

Sample Tax Return

NAME Able, Mabel	REG NO
FIRM NAME Mabel's Tavern	
STREET ADDRESS	
CITY, STATE, ZIP	

Filing electronically? <u>Only</u> fill in this box <a>D and Total Amount Owed.

Address Changes? business location mailing address both Business closed? Date closed 1 1 See note 5, page 2. Please fill in the appropriate box and make address changes to the above label **I STATE BUSINESS AND OCCUPATION TAX** Column I Col. 2 Deductions Line Column 3 Col. 4 Column 5 Tax Classification Code No Gross Amount Totals from Pg. 3 & 4 Taxable Amount Rate Tax Due Extracting, Extracting for Hire .00484 1 16 Slaughter, Break Proc, Perish Meat-Whlse; Mfg Wheat into Flour; Raw Seafood; Soybean & Canola Proc 00138 2 30 Travel Agent Com: Intl Charter Freight Brokers: .00275 28 3 Stevedorina 00484 4 Insurance Agents; Insurance Brokers Commis 14 5 Manuf Fresh Fruit and Veg; Split or Proc Dried Peas 21 .00138 Processing for Hire; Printing and Publishing .00484 6 10 Manufacturing .00484 7 07 Royalties; Child Care 80 .00484 8 9 Wholesaling 03 .00484 Warehousing; Radio & TV Broadcasting; Public Road Construction; Government Contracting .00484 10 11 11 Public or Nonprofit Hospitals 55 .015 Cleanup of Radioactive Waste for US Gov't; Environmental Remedial Action 00471 12 83 04 .015 8 13 2 5 5 0 2 000 550 Service & Other Activities 14 Retailing of Interstate Transportation Equip 19 .00484 15 Retailing 02 5.850 28 5,822 .00471 27 35 * Deductions taken but not itemized on pages 3 and 4 will be disallowed. TOTAL B&O TAX GROSS AMOUNTS FOR RETAILING AND II STATE SALES AND USE TAX RETAIL SALES MUST BE THE SAME <u>5,85</u>0 16 Retail Sales (also complete local tax section III) 01 5 822 .065 378 28 Value of articles used by taxpayer as a consume 17 Use Tax (also complete local tax section III) 05 065 on which no Washington sales tax has been paid **III LOCAL CITY AND/OR COUNTY SALES AND USE TAX** TOTAL STATE SALES & USE TAX 378 Local Sales Tax (Enter applicable rate of tax) MAY 2001 Code 45 DUE DATE: MAY 25, 2001 Total Taxable Amount must be the same as line 16 Taxable Amount S М т W τ 5% Penalty is Due After May 25, 2001 10% Penalty is Due After July 2, 2001 Line No. Location Code 2 Taxable Amount Local Rate Tax Due City or Co. 25 10% Penalty is Due Arter July 2, 200 20% Penalty is Due After July 31, 2001 8 9 10 11 18 1801 5,822 .017 99 13 14 15 16 17 If the due date falls on a weekend or legal holiday, 20 21 22 23 24 25 19 the due date is extended to the next business day. 20 Please fill in this box if you had no business activity. (see note 6, page 2) 21 This return must be mailed, unless filed electronically with no tax due. 22 Please make check or money order payable to the Washington TOTAL TAXABLE State Department of Revenue. Do not send cash or coins. TOTAL qq For assistance, call (800) 647-7706. Local Use Tax (Enter applicable rate of tax) Code 46 Signature Total Value of Articles must be the same as line 17 column 1 Gross Amount Ph. Date Line Location Code Value of Articles Local Rate Tax Due City or Co. No. Line No. **VIII TOTALS** Item 23 512 Total All Tax Due from page 1 24 29 Total All Tax Due from page 2 30 25 Rental Car Tax (attach Rental Car Tax Addendum) 31 TOTAL VALUE OF ARTICLES TOTAL 512 32 Subtotal (add lines 29-31) _ine Code Taxable Amount Rate Tax Due 35 Credit (from page 2, section VII, total credit) Classification 33 No. 477 Region Transit 34 Subtotal (subtract line 33 from line 32) 26 89 .004 Authority (RTA Minimum \$5.00 35 Penaltv * King County 27 .005 90 & Bev 36 Interest 1 477 TOTAL AMOUNT OWED (add lines 34 - 36) .00015 28 Litter Tax 36

REV 40 2406 APR/01 (2-28-01)

★If you qualify, attach penalty waiver request and fill in box.

(see note 4, page 2)

IV LODGING TAXES

	TRANSIENT RENTAL INCOME INFORMATION (enter location code and income only) Code 47							
Line No.	Location Code	Income	Location Code	Income		Location Code	Income	
37								
38								

C	ONVENTION AN	ND TRADE CEN	TER TAX	Code	48		SPECIAL	HOTEL/MOTE	L TA	X
Line No.	Location Code	Taxable Amount	Rate	Tax Due		Line No.	Location Code	Taxable Amoun	t	Rate
39						42				
40						43				
41						44				
	TOTAL CONVENT	TION & TRADE CEI	NTER TAX				TOTAL	SPECIAL HOTEL	мот	EL TAX

V STATE PUBLIC UTILITY TAX

Line No.	Tax Classification	Code	Column I Gross Amount	Col. 2 Deductions* Totals from Pg. 4	Column 3** Taxable Amount	Col. 4 Rate	Column 5 Tax Due
45	Water Distribution	60				.05029	
46	Sewer Collection	61				.03852	
47	Power	49				.03873	
48	Gas Distribution; Telegraph	26				.03852	
49	Motor Transportation; Railroad; Railroad Car	08				.01926	
50	Urban Transportation; Vessels Under 65 ft	12				.00642	
51	Other Public Service Business	13				.01926	
** If t	axable amounts on lines 45-51 column 3 total	ess tha	n \$2,000, no Public Utility	Tax is due. TOTAL	STATE PUBLIC UTIL	ITY TAX	

VI OTHER TAXES Line Column I Gross Amount Col. 2 Deductions' Totals from Pg. 4 Column 3 Taxable Amoun Col. 4 Rate Column 5 Tax Due Tax Classification Code No Tobacco Products 20 .7490 52 64 036 53 Refuse Collection .005 Petroleum Tax 57 **Temporarily Not Due - Fund Limit Reached** 54

* Deductions taken but not itemized on page 4 will be disallowed.

65

Line No.	Tax Classification	Code	Item	Quantity Sold	Rate	Tax Due	
56	Solid Fuel Burning Device Fee	59	Number of Stoves, Fireplaces, & Solid Fuel Burning Devices:		\$30.00		
57	Syrup Tax	54	Number of Gallons:		\$1.00		
58	State Enhanced 911 Tax	93	Number of Taxable Switched Access Lines:		.20		

TOTAL OTHER TAXES

(add lines 52-58)

.007

Code 70 Tax Due

NOTE:

55

Hazardous Substance

- 1. If you do not have deductions, do not return pages 3 and 4.
- 2. If you have deductions, complete and return pages 3 and 4.
- LOCAL CITY AND/OR COUNTY SALES AND USE TAX. For your convenience, a copy of the Local City and/or County Sales and Use Tax supplemental form is provided in the "Business Tax Guide." If more space is required, you may make copies of this form or attach additional local tax information in the same format.
- For more information about the penalty waiver criteria, please call Tax Express at (800) 334-8969, enter code 429.
- 5. For more information about business closures, please call Tax Express at (800) 334-8969, enter code 430.
- If you would like to file "No Business Activity" by telephone, please call our toll-free number (800) 647-7706 and do not mail return.
- To inquire about the availability of this form in an alternate format for the visually impaired, please call (360) 753-3217. Teletype (TTY) users may call (800) 451-7985.
- Need Help? If you need further information, please refer to the, "Business Tax Guide", or call the Department of Revenue office nearest you, or our toll-free number (800) 647-7706. You may also access our Internet home page at http://dor.wa.gov.

REV 40 2406 APR/01 (2-28-01)

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VII CREDITS

Line No.	Credit Classification	Credit I.D.	Amount
59	Multiple Activities Tax Credit (attach Schedule C)	800	
60	High Technology Credit (attach Research & Development Credit Affidavit)	830	
61	Manufacturing Software; Programming Rural Employment B&O Credit	860	
62	Help Desk Services B&O Credit	865	
63	Alternatives to Field Burning B&O Credit	875	
64	International Services Credit	855	
65	Small Business B&O Tax Credit (see table enclosed)	815	35
66	Electric Utility Rural Economic Development Revolving Fund Public Utility Tax Credit	870	
67	Bad Debt Tax Credit (attach Schedule B)	801	
68	Hazardous Substance	805	
69	Other Credits (attach appropriate documents)	810	
	TOTAL CREDIT (transfer to page 1, lin	ie 33)	35

TAVERNS GUIDE — PAGE 20

State of Washington Department of Revenue PO Box 34051 Seattle, WA 98124-1051

APRIL 2001 DEDUCTION DETAIL

04
01

- Deductions taken on the Combined Excise Tax Return, but not itemized on this form will be disallowed.
 Report deductions under the heading that corresponds to your reporting activity.
 Transfer the total amount of each deduction from this form to the corresponding tax classification on your return in the deduction column.

If Completing, Fill out Name, Registration Number and Attach to Combined Excise Tax Return.

Line 1 - Extracting, Extracting for Hire	I.D.	Amount
Bad Debts	1601	Junount
Cash & Trade Discounts	1602	
Other (Explain):	1699	
	OTAL	
Line 2 - Slaughter, Break Processing	I.D.	Amount
Bad Debts	3001	Amount
Cash & Trade Discounts	3002	
Other (Explain):	3099	
Line 3 - Travel Agent Com; Intl Charter	I.D.	Amount
Bad Debts	2801	
Cash & Trade Discounts	2802	
Other (Explain):	2899	
	DTAL	_
Line 4 - Insurance Agents; Insurance	I.D.	Amount
Bad Debts	1401	
Other (Explain):	1499	
	DTAL	
Line 5 - Manufacturing Fresh Fruits and	I.D.	Amount
Bad Debts	2101	
Cash & Trade Discounts	2102	
Freight	2103	
Advances Reimbursements; Rtrns & Allowances	2107	
Other (Explain):	2199	
то	DTAL	
ine 6 - Processing for Hire; Printing and	I.D.	Amount
ad Debts	1001	
Cash & Trade Discounts	1002	
Freight	1003	
Advances Reimbursements; Rtrns & Allowances	1007	
Other (Explain):	1099	
т	DTAL	
ine 7 – Manufacturing	I.D.	Amount
3ad Debts	0701	
Cash & Trade Discounts	0702	
Freight	0703	
Advances Reimbursements; Rtrns & Allowances	0707	
Other (Explain):	0799	
тс	DTAL	
Line 8 - Royalties; Child Care	I.D.	Amount
Bad Debts	8001	
Cash & Trade Discounts	8002	
Advances Reimbursements; Rtrns & Allowances	8007	
Other (Explain):	8099	
т	DTAL	

Line 9 – Wholesaling	I.D.	Amount
Bad Debts	0301	
Cash & Trade Discounts	0302	
nterstate & Foreign Sales	0304	
Motor Vehicle Fuel Tax	0305	
Casual Sales; Accommodation Sales	0306	
Advances Reimbursements; Rtrns & Allowances	0307	
No Local Activity	0308	
Other (Explain):	0399	
Т	OTAL	
Line 10 – Warehousing; Radio & TV…	I.D.	Amount
Bad Debts	1101	
Cash & Trade Discounts	1102	
nterstate & Foreign Sales	1104	
Advances Reimbursements; Rtrns & Allowances	1107	
Radio/TV Advertising	1109	
Other (Explain):	1199	
	OTAL	
Line 11 - Public or Nonprofit Hospitals	I.D.	Amount
Bad Debts	5501	7
Cash & Trade Discounts	5502	
Advances Reimbursements; Rtrns & Allowances	5507	
Other (Explain):	5599	
	OTAL	
ine 12 - Cleanup of Radioactive Waste	I.D.	Amount
Bad Debts	8301	Anount
Cash & Trade Discounts	8302	
nterstate & Foreign Sales	8304	
Advances Reimbursements; Rtrns & Allowances	8307	
Other (Explain):	8399	
	DTAL	
	I.D.	Amount
ine 13 - Service & Other Activities		
	1	Janoant
Bad Debts	0401	Junount
Line 13 - Service & Other Activities Bad Debts Cash & Trade Discounts Destate & Ecretion Sales	0401 0402	
Bad Debts Cash & Trade Discounts nterstate & Foreign Sales	0401 0402 0404	, anoun
Bad Debts Cash & Trade Discounts nterstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances	0401 0402 0404 0407	
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs	0401 0402 0404 0407 0410	2,000
ad Debts ash & Trade Discounts iterstate & Foreign Sales dvances Reimbursements; Rtrns & Allowances Sambling; Prize; Cash Pay-Outs certain Initiation Fees; Dues; Contributions	0401 0402 0404 0407 0410 0411	
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations	0401 0402 0404 0407 0410 0411 0412	
ad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities	0401 0402 0404 0407 0410 0411 0412 0416	
ad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Other (Explain):	0401 0402 0404 0407 0410 0411 0412 0416 0499	
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Other (Explain):	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL	2,000
ad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Sambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Other (Explain): T(.ine 14 - Retailing of Interstate Transport	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL I.D.	
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Other (Explain): Techne 14 - Retailing of Interstate Transport Bad Debts	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL 1901	2,000
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Dther (Explain): T(Line 14 - Retailing of Interstate Transport Bad Debts Cash & Trade Discounts	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL 1901 1902	2,000
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Dther (Explain): Tt Line 14 - Retailing of Interstate Transport Bad Debts Cash & Trade Discounts Interstate & Foreign Sales	0401 0402 0404 0407 0410 0411 0412 0416 0499 OTAL 1.D. 1901 1902 1904	2,000
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Dther (Explain): Technology Content Conte	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL 1901 1902 1904 1907	2,000
Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Gambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Artistic/Cultural Activities Dther (Explain): T Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Consignment Sales	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL 1901 1902 1904 1907 1915	2,000
ad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances Sambling; Prize; Cash Pay-Outs Certain Initiation Fees; Dues; Contributions Interest on Certain Invest/Loan/Obligations Anterest on Certain Invest/Loan/Obligations Interest on Certain Invest/Loan/Obligations Anteristic/Cultural Activities Other (Explain): Techner (Explain): Techner 4 - Retailing of Interstate Transport Bad Debts Cash & Trade Discounts Interstate & Foreign Sales Advances Reimbursements; Rtrns & Allowances	0401 0402 0404 0407 0410 0411 0412 0416 0499 DTAL 1901 1902 1904 1907	2,000

REV 40 2406 APR/01 (2-28-01)

Line 15 – Retailing (B&O)	I.D.	Amount	
Bad Debts	0201	28	
Cash & Trade Discounts	0202		
Interstate & Foreign Sales	0204		
Motor Vehicle Fuel Tax	0205		
Advances Reimbursements; Rtrns & Allowances	0207		
No Local Activity	0208		
Casual Sales; Accommodation Sales	0213		
Tax in Gross	0214		
Consignment Sales	0215		
Artistic/Cultural Activities	0216		
Presc. Drugs Sold by Pub. Oper/Nonprofit Hospitals	0217		
Other (Explain):	0299		
TOTAL			

Not all deductions are allowable from both Retailing (B&O Tax) and Retail Sales Tax.

I.D.

0101

0102

0104

0114

0118

0119

0121

0122

0123

0124

0125

0126

0128

0129

0130

0131

0132

0134

0135

0136

0156

0199

TOTAL

I.D.

6001

6002

6004

6039

6040

6041

6099

TOTAL

I.D.

6101

6102

6139

6199

TOTAL

Amount

Amount

28

Amount

Line 16 - Retail Sales Tax

Cash & Trade Discounts

Interstate & Foreign Sales

Sales to U.S. Government

Motor Vehicle Fuel Sales

Qualified Nonresident Sales

Certain Network Telephone Service

Taxable Amount for Tax Paid at Source

Sales to Nonprofit Artistic/Cultural Art Objects for

Sale of Manufacturing Mach/Equip; Install Labor

Amounts Paid to Another for Services Jointly Provided

for Capital Projects Amounts Derived From Distribution of Water Through Irrigation Systems

Amounts Paid to Another for Services Jointly Provided

Amounts Received by Nonprofit Water Association

Sales of Feed to Fish Farmers

Purebred Livestock for Breeding

Line 45 - Water Distribution

Cash & Trade Discounts

Interstate & Foreign Sale

Tax Deferral/Investment Certificate No

Returns & Allowances

Ride-Sharing Vans

Other (Explain):

Other (Explain):

Other (Explain):

Bad Debts

Bad Debts

Exempt Food Sales

Trade-in Allowance

Newspapers

Displays

Prescription Drugs/Hearing Aids/Lenses/etc

Sales to Indians with Delivery on the Reservation

Bad Debts

Tax in Gross

Interstate & Foreign Sales 4904 Amounts Paid to Another for Services Jointly Provided 4939 Amounts Expend. to Improve Consumer Efficiency 4942 Low Density/Wholesale Power Costs 4947 4999 Other (Explain): TOTAL Line 48 - Gas Distribution; Telegraph I.D. Amount 2601 Bad Debts Cash & Trade Discounts 2602 2604 Interstate & Foreign Sales 2639 Amounts Paid to Another for Services Jointly Provided Other (Explain): 2699 TOTAL Line 49 - Motor Transportation; Railroad.. I.D. Amount 0801 Bad Debts Cash & Trade Discounts 0802 0804 Interstate & Foreign Sales Amounts Paid to Another for Services Jointly Provided 0839 Other (Explain): 0899 TOTAL Amount Line 50 - Urban Transportation; Vessels.. I.D. Bad Debts 1201 1202 Cash & Trade Discounts Interstate & Foreign Sales 1204 Amounts Paid to Another for Services Jointly Provided 1239 Other (Explain) 1299 TOTAL Line 51 - Other Public Service Business I.D. Amount Bad Debts 1301 Cash & Trade Discounts 1302 Interstate & Foreign Sales 1304 1339 Amounts Paid to Another for Services Jointly Provided Other (Explain): 1399 TOTAL Line 52 - Tobacco Products I.D. Amount Interstate & Foreign Sales 2004 Sales to U.S. Government 2018 2043 Returned/Destroyed Goods 2099 Other (Explain) TOTAL Line 53 - Refuse Collection I.D. Amount 6401 Sales to U.S. Government 6418 Sales to Other Refuse/Solid Waste Collectors 6445 Other (Explain): 6499 TOTAL Line 54 - Petroleum Tax I.D. Amount Petroleum Products Exported Out of State 5746 Other (Explain) 5799 TOTAL Line 55 - Hazardous Substance I.D. Amount Other (Explain): 6599 TOTAL

I.D.

4901

4902

Amount

Line 47 – Power

Cash & Trade Discounts

Bad Debts

Line 46 - Sewer Collection

Cash & Trade Discounts

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RECORD KEEPING REQUIREMENTS

All businesses must keep complete and adequate records from which the Department may determine any tax for which the business may be liable. Such records must be preserved for a period of five years.

In general, records are to be kept, preserved, and presented upon request of the Department which will demonstrate:

- The amount of gross receipts and sales from all sources, including barter or exchange transactions.
- The amount of all deductions, exemptions, or credits claimed through supporting documentation.

Such records may include general ledgers, sales journals, together with all bills, invoices, cash register tapes, or other documents or original entry supporting the books of account entries. The records should include all federal and state tax returns reports, and all schedules or work papers used in the preparation of tax reports or returns.

Suggested records:

- Federal income tax returns
- Washington Combined Excise Tax Returns
- General and subsidiary ledgers
- Sales and/or cash receipts journals
- Sales invoices
- Purchase/cash disbursement journals
- Purchase invoices for assets and expense items
- Financial statements
- Resale certificate for wholesale sales
- Documentation for any exemption claimed or given and any deductions taken
- Records of "to go" sales.

HOW TO PREPARE FOR AN AUDIT

Reference: WAC 458-20-254

Audits are a routine procedure used to determine whether state excise taxes have been reported and paid correctly. The majority of businesses audited by the Department of Revenue (DOR) are chosen using statistical methods.

The period of time covered by an audit is generally four years plus the current reporting period. An audit by the DOR generally includes a review of the following items reported on the Combined Excise Tax Return:

- Income—verification of proper amounts and classifications reported on the return;
- Deductions and exemptions—verification of proper amounts, classifications and documentation; and
- Purchases—verification of retail sales or use tax paid on capital assets and consumable supplies.

Records required during an audit include the following:

- Washington State Combined Excise Tax Returns and work papers;
- Federal income tax returns;
- Summary accounting records check register, general ledger, sales journal, general journal, cash receipts journal, and any other records you use to record income and expenses.
- Purchase invoices
- Depreciation schedule along with purchase invoices for the assets;
- Resale certificates;
- Supporting documentation for all deductions and exemptions; and
- Records of "to go" sales.

After the Audit

After a review of the business records, the auditor will explain any problems found and adjustments made. If you agree with the audit adjustments, the audit will be processed and a copy of all applicable schedules, law and rules are provided to the taxpayer. It generally takes about four to six weeks to receive the final audit copy. If the audit results in additional taxes owed, taxpayers have 30 days from the date the audit was mailed to pay the tax and interest in full. Overpayments or credits are either refunded or credited against amounts due, on future returns.

Taxpayers who disagree with any audit findings may request a meeting with the audit supervisor. If agreement cannot be reached at that time, you will be provided with information on audit appeals procedures. You have 30 days from the date the audit report is mailed to appeal the audit. The Department of Revenue offers many services to make reporting your taxes as convenient as possible. We conduct workshops, provide personal and telephone assistance, and produce a wide range of publications to make working with us simpler. Please contact us if you need help.

DEPARTMENT SERVICES

GENERAL SERVICES

Tax Express: You can get answers to the most common tax questions 24 hours a day, seven days a week by calling the Tax Express prerecorded information system. To access Tax Express, call 1-800-334-8969 from a touch-tone telephone. Then enter the three-digit code which corresponds to the topic that interests you. For a list of topics, dial code 500.

Fast Fax: The Department's Fast Fax allows you to have selected forms, publications, and administrative rules transmitted directly to your fax machine. To use the system, dial 1-800-647-7706.

Telephone and one-on-one assistance: Get answers to your tax questions, and assistance in registering your business and completing tax returns by calling or visiting your local Revenue office.

Toll-free telephone numbers: If you have questions or need assistance completing tax returns, you may call the Telephone Information Center at 1-800-647-7706. Teletype (TTY) users may call 1-800-451-7985.

Internet web site: Visit the Department's web site at http://dor.wa.gov to find publications, forms, the public records and unclaimed property databases, and much more.

Copies of publications, laws, and rules: Please contact your local Revenue office or the Telephone Information Center, or visit our web site at http://dor.wa.gov.

Research statistics: For copies of research publications, data on tax collections, tax-related statistics on business activity by industry and geographical area, and other statistical information about the state's tax structure, contact the Research Division at (360) 570-6070.

Business Outreach Workshops: To sign up for Revenue's workshops covering business registration, reporting, tax laws and rules, and record keeping requirements, contact your local Revenue office or sign up on the web at http://dor.wa.gov.

Voluntary first-year audits: If you have been in business for at least six months and would like to arrange for a first-year audit to ensure correct reporting and avoid costly mistakes, contact your local Revenue office.

Speakers Bureau: To arrange for a Revenue presenter on topics of interest to your organization, contact the Speakers Bureau Coordinator at (360) 705-6601.

Taxpayer Advocate: For assistance in understanding and accessing your rights in working with the Department of Revenue, call the Taxpayer Advocate at (360) 705-6714.

DEPARTMENT SERVICES (continued)

Media queries: Newspaper, radio, and television reporters with questions on Department of Revenue issues, please call the media specialist at (360) 705-6603.

SPECIFIC TAXES AND PROGRAMS

Brokered natural gas tax: Taxpayer Account Administration Division (360) 902-7063.

Business and occupation tax: Contact your local Revenue office or the Telephone Information Center 1-800-647-7706.

Business and occupation tax credit for new employees: Taxpayer Account Administration Division (360) 902-7175.

Cigarette tax: Special Programs Division, Miscellaneous Tax Section (360) 664-0700.

Commercial fishing tax: Local Revenue office or the Telephone Information Center 1-800-647-7706.

Corporate withdrawals or dissolutions: Audit Division (360) 570-5963.

Electronic Filing: Taxpayer Account Administration Division, 1-877-FILE-ELF (1-877-345-3353).

Electronic Funds Transfer program: Taxpayer Account Administration Division (1-800-345-3353).

Enhanced food/fish tax: Taxpayer Account Administration Division (360) 902-7128.

Escheats: For information and assistance in administering estates with no heirs, contact the Special Programs Division, Miscellaneous Tax Section (360) 753-5547.

Estate tax: Special Programs Division, Miscellaneous Tax Section (360) 753-5547.

Excise tax refunds: Taxpayer Account Administration Division (360) 902-7151.

Excise tax status letters: Taxpayer Account Administration Division (360) 902-7145.

Forest excise tax: Special Programs Division, Forest Tax Section 1-800-548-8829.

Hotel/motel special excise tax: Taxpayer Account Administration Division (360) 902-7063.

Leasehold excise tax: Special Programs Division, Miscellaneous Tax Section (360) 586-5190.

Oil spill response and administration tax: Taxpayer Account Administration Division (360) 902-7165.

DEPARTMENT SERVICES (continued)

Property tax education and advisory services:

- Seminars and training for county personnel (360) 570-5866.
- County Board of Equalization information and levy calculations (360) 570-5864.
- ◆ County revaluation (360) 570-5862.
- Taxing districts and code area boundaries and maps (360) 570-5894.

Property tax exemptions:

- ◆ Nonprofit organizations, (360) 570-5871.
- Senior citizens/disabled homeowners exemption and deferral (360) 570-5867.
- Current use assessment for classified and designated forest land (360) 570-5865.

Property tax general information: To request copies of property tax publications or for other general information, call (360) 570-5900. For information regarding a specific property tax assessment, please contact your local county assessor.

Property tax vessel valuation: For information on watercraft valuation and boat personal property tax and valuation, call (360) 753-1520.

Public utility tax credit for contributions to an electric utility rural economic development revolving fund: Taxpayer Account Administration Division (360) 902-7144.

Real estate excise tax refunds: For information on refunds of the real estate excise tax, contact the Special Programs Division's Miscellaneous Tax Section at (360) 664-2201. For information on the real estate excise tax, please contact the county treasurer's office where the property is located.

Retainage fees: For release of retainage fees on completed public construction projects, call the Audit Division at (360) 570-5979.

Rule hearings: For information on proposed rule changes and Excise Tax Advisories, contact the Legislation and Policy Division at (360) 570-6119.

Sales tax deferrals: Special Programs Division (360) 753-1191.

State and local retail sales tax: Local Revenue office or the Telephone Information Center.

Tax appeal questions: Appeals Division (360) 570-6140.

Unclaimed property: For information on abandoned wages, stock dividends and deposits, please contact the Special Programs Division's Miscellaneous Tax Section at 1-800-435-2429.

Use tax: Call your local Revenue office or the Telephone Information Center 1-800-647-7706. Taverns are required to register with various federal, state, and county agencies.

OTHER AGENCIES TO CONTACT

When you completed a Master Application, you may have registered your business with the departments of Revenue, Licensing, Labor and Industries, Employment Security and the Office of the Secretary of State. Several federal, state and local agencies have specific licensing and reporting requirements which may apply to your business. If you need more information, please contact the appropriate agency listed below.

Licensing

Certain business activities require special registration or agency authorization. These include selling liquor, cigarettes and lottery tickets. The Master Application contains general information on special requirements and how to obtain them. You can receive information about the licenses you may need for your business from the Department of Licensing. You may also order a customized licensing packet. The packet includes information on licensing requirements, referrals to related federal, state, and local agencies, application forms tailored to your business type, and the booklet "Operating a Business in Washington State." The Department of Licensing also registers trade names for sole proprietorships and general partnerships.

Department of Licensing Business and Professions PO Box 48001 Olympia WA 98504-8001 (360) 664-1400 http://www.wa.gov/dol

Labor and Industries

If you employ one or more persons, you must apply for industrial insurance coverage with the Washington State Department of Labor and Industries. Industrial insurance is not required for business owners, but those who want it can complete an application for employer coverage. To apply for industrial insurance or request more information, please look for the nearest Labor and Industries location in the state government listings of your telephone book.

Department of Labor and Industries Employer Services PO Box 44140 Olympia WA 98504-4140 (360) 902-4817 http://www.wa.gov/lni

OTHER AGENCIES TO CONTACT (continued)

Employment Security

If you have any employees, you must also apply for unemployment insurance coverage with the Washington State Department of Employment Security. For the office nearest you, refer to the state government listings in your telephone book.

Department of Employment Security Status Unit PO Box 9046 Olympia WA 98507-9046 (360) 902-9360 http://www.wa.gov/esd

Secretary of State

Contact the Secretary of State's office to file Articles of Incorporation or a Certificate of Limited Partnership if your business has either type of ownership. The Secretary of State also registers trademarks, as well as trade names for corporations and limited partnerships.

Secretary of State Corporations Division PO Box 40234 Olympia WA 98504-0234 (360) 753-7115 http://www.secstate.wa.gov

Internal Revenue Service (IRS)

If you pay employment taxes, such as industrial and unemployment insurance, you need to have a Federal Employer Identification Number (FEIN). In some special cases, businesses without employees may be required to obtain a FEIN. The Internal Revenue Service also offers workshops and other taxpayer education services.

IRS contacts:

Business Tax Kit	(800) 829-3676
Information	(800) 829-1040
Forms	(800) 829-3676
Fax-on-demand	(703) 487-4160
Teletax	(800) 829-4477
http://www.irs.ustreas.gov	

OTHER AGENCIES TO CONTACT (continued)

City and County Taxing Offices

If your city or county has business taxes and you are located within the city limits, you will need to register with the city taxing authority, such as the city auditor. Businesses located outside city limits should register with the county taxing authority, such as the county clerk's office. Also, remember to contact your county assessor as soon as your business opens. Businesses are required to report personal property — assets used in the operation of a business — to the assessor. Personal property includes furniture, office equipment, machines and supplies used in the course of doing business. Check your local telephone directory for the location of these offices.

INDEX

Subject	Page
Administrative rules (WAC)	
Amusement devices	
Business and Occupation tax	
Card rooms	
Combination business	
Commissions	
Cover charges	
Darts	
Deductions	
Discounts	
Employee meals	
Exempt purchases	
Free meals	
Gambling	
Games	
Games of chance	
Gratuities	
Gross amount	
King County food and beverage tax	
Litter tax	
Local sales tax	
Master Application	
Pool	
Pull-tabs	
Punch boards	
Record keeping	
Regional Transit Authority (RTA)	
Resale certificate	
Retail sales	
Retailing B&O tax	
Revised Code of Washington (RCW)	
Room rentals	
Sales tax included	

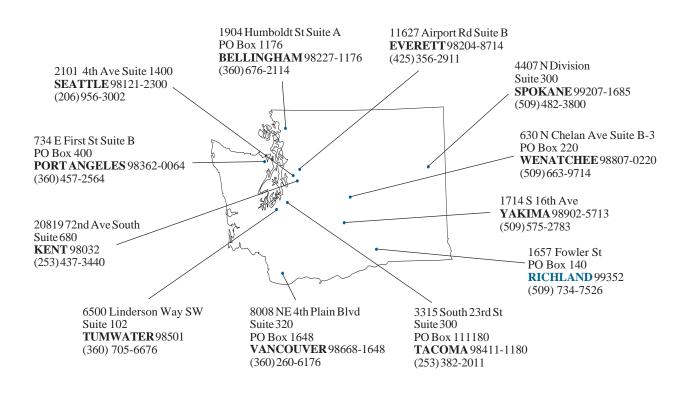
INDEX (continued)

Subject	Page
Service and Other Activities B&O tax	6
Shuffleboards	14
Syrup tax	16
Taxable purchases	9
UBI/DOR registration number	
Use Tax	7
Vending machines	14
Video games	14
Wholesaling - Other B&O tax	6

Department of Revenue Taxpayer Assistance

1-800-647-7706

FIELD OFFICE LOCATIONS





http://dor.wa.gov

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.