

Gross Receipts:

Washington DOR Adopts Rule Implementing B&O Tax Workforce Education Surcharges

New WAC 458-20-290, Workforce education investment surcharge—Select advanced computing businesses, Wash. Dept. of Rev. (10/28/22). Following the initial enactment of Washington’s three-tiered state business and occupation (B&O) tax “workforce education surcharges” in 2019 [see E2SHB 2158 (2019) for more details on these 2019 law changes] and subsequently enacted legislation [see ESSB 6492 (2020) and previously issued Multistate Tax Alert for more details on these 2020 law changes] that modified and delayed the effective date of the workforce education surcharges on select advanced computing businesses to April 1, 2020, the Washington Department of Revenue has adopted a new administrative rule that provides information about the taxability of, and surcharge imposed on, select advanced computing businesses as described in Wash. Rev. Code section 82.04.299. The rule also reflects legislation enacted earlier this year [see SB 5799 (2022) (Chap. 170) for more details on this new law], which exempts certain provider clinics offering primary care, multispecialty and surgical services from the surcharge. The new rule becomes effective as of November 28, 2022. Please contact us with any questions.

URL: <https://dor.wa.gov/sites/default/files/2022-10/WAC45820290CR103draftoct22.pdf?uid=636073fae869b>

URL: <https://app.leg.wa.gov/billsummary?BillNumber=2158&Initiative=false&Year=2019>

URL: <https://apps.leg.wa.gov/billsummary/?BillNumber=6492&Year=2020>

URL: <https://www2.deloitte.com/us/en/pages/tax/articles/new-washington-law-revises-workforce-education-surcharge-and-increases-the-business-occupation-tax-rate-for-service-and-other-activities.html?id=us:2em:3na:stm:awa:tax:110422&sfid=7015Y000003bKGwQAM>

URL: <https://apps.leg.wa.gov/billsummary/?BillNumber=5799&Year=2022>

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