

Sales/Use/Indirect:

Washington: Proposed Rule Addresses Additional 1.2% B&O Tax on Certain Banks

Proposed Reg. Section 458-20-146 (WSR 23-20-090), Wash. Dept. of Rev. (10/2/23). The Washington Department of Revenue proposed changes to an administrative rule reflecting legislation enacted in 2019 [see *Substitute House Bill (SHB) 2167 (2019)* for more details on this new law] which, applicable as of January 1, 2020, imposes an additional 1.2% business and occupation (B&O) tax on certain “specified financial institutions.” According to the Department, the rule is being updated to reinstate a deduction under SB 5166 (2023), increase clarity and provide references. While no public hearing is scheduled due to an expedited rulemaking process, any written comments on the process are due by December 4, 2023. Please contact us with any questions.

URL: <https://dor.wa.gov/sites/default/files/2023-10/20-146cr5frmdraftOct23.pdf>

URL: <https://app.leg.wa.gov/bills/summary?BillNumber=2167&Initiative=false&Year=2019>

— Robert Wood (Seattle)
Principal
Deloitte Tax LLP
robwood@deloitte.com

Myles Brenner (Seattle)
Senior Manager
Deloitte Tax LLP
mybrenner@deloitte.com

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