

Gross Receipts:

Washington: Court Explains Applicable B&O Rate on Transactions Involving In- and Out-of-Network Fuel Card Users

Case No. 57952-9-II, Wash. Ct. App. (5/29/24). In a case involving an in-state fuel station operator and the applicable Washington business and occupation (B&O) tax rate on fuel obtained by its own fuel-card users from fuel stations outside of its networks and on fuel obtained at its own stations from out-of-network fuel-card users, a Washington Court of Appeals held:

URL: <https://www.courts.wa.gov/opinions/pdf/D2%2057952-9-II%20Published%20Opinion.pdf>

- The fuel station operator made B&O retail sales to its fuel card users when they obtained fuel from other fueling stations, because in those transactions the operator purchased the fuel from the fuel network participant at a price set by the fuel network and then resold the fuel to its own fuel-card users at a price that it determined;
- The fuel station operator made B&O wholesale sales of fuel to other fuel station operator participants when their respective fuel-card users obtained fuel at its own stations, because it sold the fuel to the participant at a price set by the fuel network and the participant then resold the fuel to its respective fuel-card users.

Please contact us with any questions.

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