

**City of Olympia  
Transportation Tax  
Car Dealers and Leasing Companies  
Effective April 1, 2019**

**Effective April 1, 2019**, sales and use tax within the City of Olympia will increase four-tenths of one percent (.004). The tax will be used for transportation services.

Businesses must collect the appropriate new rate of sales tax for retail sales and services provided within the City of Olympia. Persons or businesses within the City of Olympia will be subject to the new rate of use tax on items purchased for their personal or business use if sales tax has not been paid.

**Special Reporting Instructions for Sales or Leases of Motor Vehicles:**

Businesses that report sales or leases of motor vehicles (for up to the first thirty-six months of the lease) will need to report using the following location code and tax rate. After the thirty-six months of motor vehicle leases, the original city code should be used.

Location	Location Code Number	Local Sales Tax Rate	State Sales Tax Rate	Total Sales Tax Rate
<b>Olympia TBD MVET</b>	<b>3453</b>	<b>.027</b>	<b>.065</b>	<b>.092</b>

**Reporting Instructions for Retail Sales:**

Businesses that report retail sales (other than sales or leases of motor vehicles) will need to report using the following location code and tax rate:

Location	Location Code Number	Local Sales Tax Rate	State Sales Tax Rate	Total Sales Tax Rate
<b>Olympia TBD</b>	<b>3403</b>	<b>.028</b>	<b>.065</b>	<b>.093</b>

Below is an example of how to report local retail sales tax on your excise tax return assuming sales of motor vehicles total \$50,000 and repairs total \$10,000 in Olympia.

Location Code	Taxable Amount	Local Rate	Tax Due City or Co.
3403	10,000 00	.028	280 00
3453	50,000 00	.027	1,350 00
<b>TOTAL TAXABLE</b>	<b>60,000 00</b>	<b>TOTAL</b>	<b>1,630 00</b>

Tax Classification	Taxable Amount	Rate	Tax Due
Motor Vehicle Sales/Leases (eff. 7/1/03)	50,000 00	.003	150 00

**New sales tax applies i.e. service and parts.**

**Represents only motor vehicle sales.**

**Note:** The three-tenths of one percent (.003) Motor Vehicle Sales/Lease Tax that was implemented July 1, 2003 still applies to the sale, lease, or rental of motor vehicles.

To determine the proper codes and rates of local sales tax you may access our Tax Rate Lookup Tool located at dor.wa.gov. On the home page, click on the **Find a sales or use tax rate** link.

This notice is being sent to businesses that have reported local sales or use tax to the City of Olympia within the last year.

If you have questions, or if Sales Tax Collection Schedules are needed, please go to our web site at dor.wa.gov or call the Department of Revenue at 1-800-647-7706.