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## **Report Recommends Centralizing Administration of State and Local B&O Taxes**

**OLYMPIA** – June 29, 2011 – Centralizing the collection of state and local business and occupation taxes is a key recommendation of a Tax Simplification Report sent to Governor Chris Gregoire today.

The report stems from the Governor’s October 2010 executive order directing the Department of Revenue to examine ways to reduce the complexity of state and local tax systems.

The Department based the report on a series of meetings with small businesses, local governments, tax experts, and other stakeholders.

Currently, the Department administers the state business and occupation (B&O) tax and at least 39 cities administer their own local B&O taxes.

Businesses expressed strong interest in consolidating the administration of state and local business taxes so they only have to file one return instead of dozens, often with differing definitions and requirements.

Revenue Director Suzan DelBene said small businesses struggle to understand which state and local agencies they must deal with as they navigate a complex maze of tax reporting requirements.

“By centralizing administration of tax reporting, Washington can relieve a significant burden for small business owners, freeing them to get back to the work of running their businesses,” DelBene said.

The full report is available at <http://dor.wa.gov/docs/reports/TaxSimplificationReport.pdf>.

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