



For more information, contact:
Mike Gowrylow
(360) 534-1610

British Columbia residents do not qualify for non-resident sales tax exemption in Washington

OLYMPIA – Jan. 24, 2013 – Contrary to what some British Columbia residents appear to believe, they do not qualify for a sales tax exemption when shopping in Washington State.

The Department of Revenue reminds Washington retailers and consumers that British Columbia residents do not qualify for the non-resident sales tax exemption.

Several retailers have contacted the Department recently to advise it that residents of that Canadian province were claiming they qualified to purchase items without paying sales tax.

While the exemption is available to residents of any state or province with a sales tax rate of less than 3 percent, it does not apply to jurisdictions with either the Harmonized Sales Tax (HST) now in effect in British Columbia or the 7 percent provincial sales tax that replaces it on April 1, 2013. Residents of states such as Alaska, Oregon and Montana and certain provinces, including Alberta, do qualify because they have no sales tax.

The Department advises retailers to direct British Columbia residents to <http://dor.wa.gov/content/findtaxesandrates/retailsalestax/nonresidents/default.aspx> for an explanation of the nonresident exemption. Retailers that provide the exemption are liable for any uncollected sales tax if audited.

###