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## **Prepaid wireless consumers to see E911 tax on receipt**

**OLYMPIA** – Dec. 23, 2013 – Consumers, take note: If you purchase prepaid wireless phones and minutes, you will see a new charge on your sales receipt starting Jan. 1, 2014. That’s when a new state law takes effect that requires retailers of prepaid wireless services to collect the tax that supports enhanced 911 services (E911).

Currently, wireless companies are required to collect and remit the E911 tax. Cellphone users under contract pay this tax on each month’s bill. But for prepaid wireless users, the tax has not been visible as part of their purchase of phones or minutes.

Now, for prepaid wireless users, the E911 tax will be charged at the cash register and collected by retailers.

Local governments receive 70 cents of the E911 tax, and the state receives 25 cents. The money supports the technology that enables local 911 emergency services to pinpoint the geographic location of cellphone users who call for help.

The new law allows retailers to charge 5 cents to cover their cost of collecting the tax until July 1, 2018. The 95-cent E911 tax and 5-cent seller compensation will be collected on each prepaid wireless item purchased. The E911 tax is in addition to state and local retail sales taxes.

The E911 tax changes come as part of House Bill 1971, a larger telecommunications bill passed by the Washington State Legislature during the 2013 session. Prepaid telecommunications companies have supported similar changes now adopted in 24 states.

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### **Additional resources**

[Special Notice to retailers](#) ([Korean translation](#)) (Spanish translation – coming this week)

## **About Revenue**

The Department of Revenue is Washington state's primary tax administration agency, nationally recognized for innovation and service quality. In fiscal year 2013, Revenue collected more than \$18 billion in tax revenues that support public schools, social services, health care, corrections, public safety and natural resources conservation.