



For more information, contact:

Kim Schmanke

Phone 360-534-1602 | Cell 360-688-6102

Follow us on Twitter: @WASStateDOR

## Medical marijuana taxes focus of Revenue outreach

**OLYMPIA** – Dec. 31, 2013 – Confusion over the taxability of medical marijuana is leading the Washington State Department of Revenue (Revenue) to start an education effort early in the new year.

Revenue is mailing letters to several hundred businesses and organizations that provide medical marijuana, “medibles,” and related products, explaining that taxes apply to their transactions. Letter recipients include dispensaries, collectives, cooperatives, nonprofits and businesses that should be – but are not – registered with Revenue or paying taxes.

The letters will be mailed Friday, Jan. 3, 2014. Businesses should comply by Jan. 24, 2014.

Revenue has become increasingly aware of confusion within the medical marijuana community about the responsibility to collect and pay taxes. This education effort aims to create a level playing field by increasing compliance from those who are not registered and filing with Revenue.

Revenue often sends letters to educate taxpayers on their tax responsibilities, particularly when the agency sees common filing errors or underreporting.

Some of the taxpayers Revenue contacts in January may owe back taxes for prior periods.

Revenue has provided tax guidance to the medical marijuana community in recent years, including a [2011 special notice](#) about the taxes collected on the sale of medical cannabis.

###

### 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.