



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

MAY 13, 2010

Qualified Food Cooperatives

Temporary B&O tax increase does not apply

The temporary B&O tax increase under Second Engrossed Substitute Senate Bill (2ESSB) 6143, passed during the 2010 1st Special Session, does not apply to income normally reported under the service and other activities B&O tax classification by Qualified Food Cooperatives.

The B&O tax rate for these activities remains at 1.5%.

How do I report these changes on my return?

When completing the Excise Tax Return, Qualified Food Cooperatives service income should now be reported under the following B&O tax classifications:

Public or Nonprofit Hospitals; Qualified Food Coops Line code 55 Rate .015

The small business credit is reported under "credits" section VI of the tax return. With the May 2010 Excise Tax Return you will receive a worksheet to assist you in calculating the small business tax credit. Keep a copy of the credit table/worksheet in your records for future use. The small business tax credit is automatically calculated for e-filers. Information on filing your return electronically is available on the Department's website at <http://dor.wa.gov>

For more information

Send an email to communications@dor.wa.gov or contact the Department's Telephone Information Center at 1-800-647-7706.