

**City of North Bend Public Safety Tax
Car Dealers and Leasing Companies
Effective April 1, 2015**

Effective April 1, 2015, local sales and use tax within the City of North Bend will increase one-tenth of one percent (.001). The tax will be used for criminal justice and public safety purposes.

Businesses must collect the appropriate new rate of sales tax for retail sales and services provided within the City of North Bend. Persons or businesses within the City of North Bend will be subject to the new rate of use tax on items purchased for their personal or business use if sales tax has not been paid.

Special Reporting Instructions for Sales or Leases of Motor Vehicles:

Businesses that report sales or leases of motor vehicles (for up to the first thirty-six months of the lease) will need to report using the following location codes and tax rates. After the thirty-six months of motor vehicle leases, the original city/county code should be used.

| Location | Location Code Number | Local Sales Tax Rate | State Sales Tax Rate | Total Sales Tax Rate |
|---------------------|----------------------|----------------------|----------------------|----------------------|
| North Bend TBD MVET | 1772 | .023 | .065 | .088 |

Reporting Instructions for Retail Sales:

Businesses that report retail sales (other than sales or leases of motor vehicles) will need to report using the following location codes and tax rates:

| Location | Location Code Number | Local Sales Tax Rate | State Sales Tax Rate | Total Sales Tax Rate |
|----------------|----------------------|----------------------|----------------------|----------------------|
| North Bend TBD | 1722 | .024 | .065 | .089 |

Below is an example of how to report local retail sales tax on your excise tax return assuming sales of motor vehicles total \$50,000 and repairs total \$10,000 in North Bend.

| Location Code | Taxable Amount | | Local Rate | Tax Due City or Co. | |
|---------------|----------------|----|------------|---------------------|----|
| 1722 | 10,000 | 00 | .024 | 240 | 00 |
| 1772 | 50,000 | 00 | .023 | 1150 | 00 |
| TOTAL TAXABLE | 60,000 | 00 | TOTAL | 1390 | 00 |

New sales tax applies i.e. service and parts.

Represents only motor vehicle sales.

| Tax Classification | Taxable Amount | | Rate | Tax Due | |
|--|----------------|----|------|---------|----|
| Motor Vehicle Sales/Leases (eff. 7/1/03) | 50,000 | 00 | .003 | 150 | 00 |

Note: The three-tenths of one percent (.003) Motor Vehicle Sales/Lease Tax that was implemented July 1, 2003 still applies to the sale, lease, or rental of motor vehicles.

To determine the proper codes and rates of local sales tax you may access our Tax Rate Lookup Tool located at dor.wa.gov. On the home page, click on the **Find a sales tax rate (GIS) link**.

This notice is being sent to businesses that have reported local sales or use tax to any of the above location codes within the last year.

If you have questions, or if Sales Tax Collection Schedules are needed, please go to our web site at dor.wa.gov or call the Department of Revenue at 1-800-647-7706.