



State of Washington  
Department of Revenue

# Excise Tax Advisory

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Excise Tax Advisories (ETA) are interpretive statements issued by the Department of Revenue under authority of RCW 34.05.230. ETAs explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. They are advisory for taxpayers; however, the Department is bound by these advisories until superseded by Court action, Legislative action, rule adoption, or an amendment to or cancellation of the ETA.

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NUMBER: 238.08.12.130

CONVERSION DATE: July 1, 1998

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**This ETA is cancelled effective December 29, 2006**

## BUILDINGS SOLD EXCLUSIVE OF THE LAND UPON WHICH THEY ARE SITUATED

Revised: December 31, 1992

This Excise Tax Bulletin explains the Department's position in regards to sales of buildings, exclusive of the realty upon which they are situated. This is a clarification and not a change in the Department's position.

Generally, the sale of a building which is permanently affixed to real property is a sale of real estate and not subject to the retail sales tax. This is true even when the land is separately owned and is not conveyed with the building, provided the contract of sale does not contemplate the removal of the building to a new location.

The sale of a building exclusive of the land upon which it is situated, with a condition of sale being removal to another location, is not a sale of real estate, but is a sale of tangible personal property. These sales are subject to retail sales tax when made to consumers. The term "consumer" is defined by RCW 82.04.190 to include:

Any person who purchases, acquires, owns, holds, or uses any article of tangible personal property . . . other than for the purpose (a) of resale as tangible personal property in the regular course of business . . . .

If retail sales tax has not been paid upon acquisition, the purchaser must remit use tax directly to the Department.

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***ETBS have been made Excise Tax Advisories, and have retained their old number. Advisories with a 2 (plus three digits) are new advisories, ETBs that have been revised and readopted after review under the Department's regulatory improvement program, or advisories that have been revised and/or readopted.***

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