

**Streamlined Sales Tax Governing Board
Section 328 Taxability Matrix
Library of Definitions
(Revised May 7, 2008)**

State: Washington
Completed by: Greg Potegal
E-mail address: gregp@dor.wa.gov
Phone number: 360-570-6132

Each of the items listed in the chart are defined in the Library of Definitions in the Streamlined Sales and Use Tax Agreement (SSUTA) adopted November 12, 2002 and as amended effective January 1, 2008. Refer to Appendix C of the SSUTA for each definition.

Place an “X” in the appropriate column under the heading “Treatment of definition” to indicate the treatment of each definition in your state. If a product definition was not adopted by your state, enter “NA” in the column under the heading “Reference” and indicate in the “Treatment of definition” columns the treatment of the product in your state. In accordance with the SSUTA, your state must adopt the definitions in the Library of Definitions that apply to your state without qualifications except for those allowed by the SSUTA. For this reason, do not enter any comments or qualifications in the two columns under the heading “Treatment of definition”. If your state has adopted a definition in the Library of Definitions with a qualification not specified in the SSUTA, do not place an “X” in either column under the heading “Treatment of definition” but include a comment in the “Reference” column explaining the qualification. Enter the applicable statute/rule cite in the “Reference” column.

Sellers and certified service providers are relieved from tax liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales and use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state relative to treatment of the terms defined in the Library of Definitions.

Administrative definitions	Treatment of definition		Reference
	Included in sales price	Excluded from sales price	Statute/Rule Cite
Sales price: Identify how the options listed below are treated in your state. The following options may be excluded from the definition of sales price only if they are separately stated on the bill to the purchaser.			
• Charges by the seller for any services necessary to complete the sale other than delivery and installation	X		RCW 82.08.010
• Telecommunication nonrecurring charges	X		N/A
• Installation charges	X		RCW 82.08.010
• Credit for trade-in		X	RCW 82.08.010 (only applies to property of like kind)
• Delivery charges: The following options may be excluded from the definition of delivery charges only if they are separately stated on the bill to the purchaser.	Included in sales price	Excluded from sales price	Statute/Rule Cite
• Handling, crating, packing, preparation for mailing or delivery, and similar	X		RCW 82.08.010

charges			
• Transportation, shipping, postage, and similar charges	X		RCW 82.08.010
• Delivery charges for direct mail		X	RCW 82.08.807
Sales Tax Holidays	Yes	No	Statute/Rule Cite
Sales Tax Holidays: Does your state have a sales tax holiday?		X	
Indicate if your state has a sales tax holiday for the following products.			
• Energy star qualified product			
• School supply			
• School art supply			
• School instructional material			
• School computer supply			
• Computers			
• Prewritten computer software			
• Clothing			
Other defined products (please specify)			
•			
•			
Product definitions			
Clothing and related products	Taxable	Exempt	Statute/Rule Cite
Clothing	X		N/A
Fur clothing	X		N/A
Clothing accessories or equipment	X		N/A
Protective equipment	X		N/A
Sport or recreational equipment	X		N/A
Computer related products	Taxable	Exempt	Statute/Rule Cite
Computer	X		RCW 82.04.215
Computer software (both prewritten and non-prewritten)		X	RCW 82.04.215
Computer software (both prewritten and non-prewritten) delivered electronically		X	RCW 82.04.215
Computer software (both prewritten and non-prewritten) delivered via load and leave		X	RCW 82.04.215
Prewritten computer software	X		RCW 82.04.215 and 82.04.050(6)
Prewritten computer software delivered electronically	X		RCW 82.04.215 and 82.04.050(6)
Prewritten computer software delivered via load and leave	X		RCW 82.04.215 and 82.04.050(6)
Digital Product Definitions	Yes	No	Statute/Rule Cite
Products Transferred Electronically (A state imposing tax on products "transferred	X	X	N/A A digital good that is

electronically” is not required to adopt definitions of specified digital products. Does your state impose tax on products transferred electronically?			downloaded would be taxable. A digital good that is remotely accessed would not be taxable.
	Taxable	Exempt	Statute/Rule Cite
Specified Digital Products (with rights of permanent use)	X		N/A
Specified Digital Products (with rights of less than permanent use)	X		N/A
Specified Digital Products (with rights conditioned on continued payments)	X		N/A
• Digital Audio Visual Works (with rights for permanent use)	X		N/A
• Digital Audio Visual Works (with rights of less than permanent use)	X		N/A
• Digital Audio Visual Works (with rights conditioned on continued payments)	X		N/A
• Digital Audio Works (with rights for permanent use)	X		N/A
• Digital Audio Works (with rights of less than permanent use)	X		N/A
• Digital Audio Works (with rights conditioned on continued payments)	X		N/A
• Digital Books (with rights for permanent use)	X		N/A
• Digital Books (with rights of less than permanent use)	X		N/A
• Digital Books (with rights conditioned on continued payments)	X		N/A
Section 332H provides states may have product based exemptions for specific items within specified digital products. List product based exemptions for specific items included in specified digital products.	Taxable	Exempt	Statute/Rule Cite
•			
•			
•			
Food and food products	Taxable	Exempt	Statute/Rule Cite
Food and food ingredients excluding alcoholic beverages and tobacco		X	RCW 82.08.0293
Candy		X	RCW 82.08.0293
Dietary Supplements	X		RCW 82.08.0293
Soft Drinks	X		RCW 82.08.0293
Food sold through vending machines	X		RCW 82.08.0293
Prepared Food	X		RCW 82.08.0293
Prepared food options - indicate whether the following options are included or excluded from the definition of prepared food. Options excluded from prepared food are taxed the same as food and food ingredients.	Included in definition	Excluded from definition	Statute/Rule Cite
• Food sold without eating utensils provided by the seller whose primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries)		X	RCW 82.08.0293
• Food sold without eating utensils provided by the seller in an unheated state by weight or volume as a single item		X	RCW 82.08.0293
• Bakery items sold without eating utensils provided by the seller, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish,		X	RCW 82.08.0293

cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas			
Health-care products	Taxable	Exempt	Statute/Rule Cite
Drugs (indicate how the options are treated in your state)			
• Drugs (both human and animal use) without a prescription	X		RCW 82.08.0281
• Drugs (both human and animal use) with a prescription	X		RCW 82.08.0281
• Drugs for human use without a prescription	X		RCW 82.08.0281
• Drugs for human use with a prescription		X	RCW 82.08.0281
• Insulin (both human and animal use) without a prescription	X		RCW 82.08.985
• Insulin (both human and animal use) with a prescription	X		RCW 82.08.985
• Insulin for human use without a prescription		X	RCW 82.08.985
• Insulin for human use with a prescription		X	RCW 82.08.985
• Medical oxygen (both human and animal use) without a prescription	X		RCW 82.08.0283
• Medical oxygen (both human and animal use) with a prescription	X		RCW 82.08.0283
• Medical oxygen for human use without a prescription	X		RCW 82.08.0283
• Medical oxygen for human use with a prescription		X	RCW 82.08.0283
• Over-the-counter drugs (both human and animal use) without a prescription	X		RCW 82.08.940
• Over-the-counter drugs (both human and animal use) with a prescription	X		RCW 82.08.940
• Over-the-counter drugs for human use without a prescription	X		RCW 82.08.940
• Over-the-counter drugs for human use with a prescription		X	RCW 82.08.940
• Grooming and hygiene products (both human and animal use)	X		N/A
• Grooming and hygiene products for human use	X		N/A
• Drugs for human use to hospitals and other medical facilities	X		RCW 82.08.0281
• Prescription drugs for human use to hospitals and other medical facilities		X	RCW 82.08.0281
• Drugs for animal use to veterinary hospitals and other animal medical facilities	X		RCW 82.08.0281
• Prescription drugs for animal use to hospitals and other animal medical facilities	X		RCW 82.08.0281
• Taxable and nontaxable drugs bundled together	X	X	Depends on bundling rules- RCW 82.08.195
• Free samples of drugs for human use	X		RCW 82.12.0275
• Free samples of prescription drugs for human use		X	RCW 82.12.0275
• Free samples of drugs for animal use	X		RCW 82.12.0275
• Free samples of prescription drugs for animal use	X		RCW 82.12.0275
Durable medical equipment (indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite
• Durable medical equipment without a prescription	X		RCW 82.08.0283
• Durable medical equipment with a prescription	X		RCW 82.08.0283
• Durable medical equipment paid for by Medicare	X		RCW 82.08.0283
• Durable medical equipment reimbursed by Medicare	X		RCW 82.08.0283
• Durable medical equipment paid for by Medicaid	X		RCW 82.08.0283
• Durable medical equipment reimbursed by Medicaid	X		RCW 82.08.0283
• Durable medical equipment for home use without a prescription	X		RCW 82.08.0283

• Durable medical equipment for home use with a prescription	X		RCW 82.08.0283
• Durable medical equipment for home use paid for by Medicare	X		RCW 82.08.0283
• Durable medical equipment for home use reimbursed by Medicare	X		RCW 82.08.0283
• Durable medical equipment for home use paid for by Medicaid	X		RCW 82.08.0283
• Durable medical equipment for home use reimbursed by Medicaid	X		RCW 82.08.0283
• Oxygen delivery equipment without a prescription	X		RCW 82.08.0283
• Oxygen delivery equipment with a prescription		X	RCW 82.08.0283
• Oxygen delivery equipment paid for by Medicare	X		RCW 82.08.0283
• Oxygen delivery equipment reimbursed by Medicare	X		RCW 82.08.0283
• Oxygen delivery equipment paid for by Medicaid	X		RCW 82.08.0283
• Oxygen delivery equipment reimbursed by Medicaid	X		RCW 82.08.0283
• Oxygen delivery equipment for home use without a prescription	X		RCW 82.08.0283
• Oxygen delivery equipment for home use with a prescription		X	RCW 82.08.0283
• Oxygen delivery equipment for home use paid for by Medicare	X		RCW 82.08.0283
• Oxygen delivery equipment for home use reimbursed by Medicare	X		RCW 82.08.0283
• Oxygen delivery equipment for home use paid for by Medicaid	X		RCW 82.08.0283
• Oxygen delivery equipment for home use reimbursed by Medicaid	X		RCW 82.08.0283
• Kidney dialysis equipment without a prescription	X		RCW 82.08.945
• Kidney dialysis equipment with a prescription		X	RCW 82.08.945
• Kidney dialysis equipment paid for by Medicare	X		RCW 82.08.945
• Kidney dialysis equipment reimbursed by Medicare	X		RCW 82.08.945
• Kidney dialysis equipment paid for by Medicaid	X		RCW 82.08.945
• Kidney dialysis equipment reimbursed by Medicaid	X		RCW 82.08.945
• Kidney dialysis equipment for home use without a prescription	X		RCW 82.08.945
• Kidney dialysis equipment for home use with a prescription		X	RCW 82.08.945
• Kidney dialysis equipment for home use paid for by Medicare	X		RCW 82.08.945
• Kidney dialysis equipment for home use reimbursed by Medicare	X		RCW 82.08.945
• Kidney dialysis equipment for home use paid for by Medicaid	X		RCW 82.08.945
• Kidney dialysis equipment for home use reimbursed by Medicaid	X		RCW 82.08.945
• Enteral feeding systems without a prescription	X		RCW 82.08.0283
• Enteral feeding systems with a prescription	X		RCW 82.08.0283
• Enteral feeding systems paid for by Medicare	X		RCW 82.08.0283
• Enteral feeding systems reimbursed by Medicare	X		RCW 82.08.0283
• Enteral feeding systems paid for by Medicaid	X		RCW 82.08.0283
• Enteral feeding systems reimbursed by Medicaid	X		RCW 82.08.0283
• Enteral feeding systems for home use without a prescription	X		RCW 82.08.0283
• Enteral feeding systems for home use with a prescription	X		RCW 82.08.0283
• Enteral feeding systems for home use paid for by Medicare	X		RCW 82.08.0283
• Enteral feeding systems for home use reimbursed by Medicare	X		RCW 82.08.0283
• Enteral feeding systems for home use paid for by Medicaid	X		RCW 82.08.0283

• Enteral feeding systems for home use reimbursed by Medicaid	X		RCW 82.08.0283
• Repair and replacement parts which are for single patient use	X	X	Taxed or not taxed the same as the equipment to which they belong.
Mobility enhancing equipment (indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite
• Mobility enhancing equipment without a prescription	X		RCW 82.08.0283
• Mobility enhancing equipment with a prescription	X		RCW 82.08.0283
• Mobility enhancing equipment paid for by Medicare	X		RCW 82.08.0283
• Mobility enhancing equipment reimbursed by Medicare	X		RCW 82.08.0283
• Mobility enhancing equipment paid for by Medicaid	X		RCW 82.08.0283
• Mobility enhancing equipment reimbursed by Medicaid	X		RCW 82.08.0283
Prosthetic devices (indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite
• Prosthetic devices without a prescription	X		RCW 82.08.0283
• Prosthetic devices with a prescription		X	RCW 82.08.0283
• Prosthetic devices paid for by Medicare	X		RCW 82.08.0283
• Prosthetic devices reimbursed by Medicare	X		RCW 82.08.0283
• Prosthetic devices paid for by Medicaid	X		RCW 82.08.0283
• Prosthetic devices reimbursed by Medicaid	X		RCW 82.08.0283
• Corrective eyeglasses without a prescription	X		RCW 82.08.0283
• Corrective eyeglasses with a prescription		X	RCW 82.08.0283
• Corrective eyeglasses paid for by Medicare	X		RCW 82.08.0283
• Corrective eyeglasses reimbursed by Medicare	X		RCW 82.08.0283
• Corrective eyeglasses paid for by Medicaid	X		RCW 82.08.0283
• Corrective eyeglasses reimbursed by Medicaid	X		RCW 82.08.0283
• Contact lenses without a prescription	X		RCW 82.08.0283
• Contact lenses with a prescription		X	RCW 82.08.0283
• Contact lenses paid for by Medicare	X		RCW 82.08.0283
• Contact lenses reimbursed by Medicare	X		RCW 82.08.0283
• Contact lenses paid for by Medicaid	X		RCW 82.08.0283
• Contact lenses reimbursed by Medicaid	X		RCW 82.08.0283
• Hearing aids without a prescription	X		RCW 82.08.0283
• Hearing aids with a prescription		X	RCW 82.08.0283
• Hearing aids paid for by Medicare	X		RCW 82.08.0283
• Hearing aids reimbursed by Medicare	X		RCW 82.08.0283
• Hearing aids paid for by Medicaid	X		RCW 82.08.0283
• Hearing aids reimbursed by Medicaid	X		RCW 82.08.0283
• Dental prosthesis without a prescription	X		RCW 82.08.0283
• Dental prosthesis with a prescription		X	RCW 82.08.0283
• Dental prosthesis paid for by Medicare	X		RCW 82.08.0283

• Dental prosthesis reimbursed by Medicare	X		RCW 82.08.0283
• Dental prosthesis paid for by Medicaid	X		RCW 82.08.0283
• Dental prosthesis reimbursed by Medicaid	X		RCW 82.08.0283
Telecommunications & related products	Taxable	Exempt	Statute/Rule Cite
Ancillary Services	X		RCW 82.04.050
• Conference bridging service	X		RCW 82.04.050
• Detailed telecommunications billing service	X		RCW 82.04.050
• Directory assistance	X		RCW 82.04.050
• Vertical service	X		RCW 82.04.050
• Voice mail service	X		RCW 82.04.050
Telecommunications (Indicate how the options are treated in your state)	Taxable	Exempt	Statute/Rule Cite
• Intrastate Telecommunications Service	X		RCW 82.04.050
• Interstate Telecommunications Service	X		RCW 82.04.050
• International Telecommunications Service	X		RCW 82.04.050
• International 800 service	X		RCW 82.04.050
• International 900 service	X		RCW 82.04.050
• International fixed wireless service	X		RCW 82.04.050
• International mobile wireless service	X		RCW 82.04.050
• International paging service	X		RCW 82.04.050
• International prepaid calling service	X		RCW 82.04.050
• International prepaid wireless calling service	X		RCW 82.04.050
• International private communications service	X		RCW 82.04.050
• International value-added non-voice data service	X		RCW 82.04.050
• International residential telecommunications service	X		RCW 82.04.050
• Interstate 800 service	X		RCW 82.04.050
• Interstate 900 service	X		RCW 82.04.050
• Interstate fixed wireless service	X		RCW 82.04.050
• Interstate mobile wireless service	X		RCW 82.04.050
• Interstate paging service	X		RCW 82.04.050
• Interstate prepaid calling service	X		RCW 82.04.050
• Interstate prepaid wireless calling service	X		RCW 82.04.050
• Interstate private communications service	X		RCW 82.04.050
• Interstate value-added non-voice data service	X		RCW 82.04.050
• Interstate residential telecommunications service	X		RCW 82.04.050
• Intrastate 800 service	X		RCW 82.04.050
• Intrastate 900 service	X		RCW 82.04.050
• Intrastate fixed wireless service	X		RCW 82.04.050
• Intrastate mobile wireless service	X		RCW 82.04.050
• Intrastate paging service	X		RCW 82.04.050

• Intrastate prepaid calling service	X		RCW 82.04.050
• Intrastate prepaid wireless calling service	X		RCW 82.04.050
• Intrastate private communications service	X		RCW 82.04.050
• Intrastate value-added non-voice data service	X		RCW 82.04.050
• Intrastate residential telecommunications service	X		RCW 82.04.050 (but see local service)
• Coin-operated telephone service		X	RCW 82.08.0289
• Pay telephone service	X		RCW 82.04.050
• Local Service as defined by ___Washington_____ (state)		X	RCW 82.08.0289