



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

JUNE 24, 2008

Penalty and Interest Waivers for Active Duty Military Personnel

Effective June 12, 2008, Substitute House Bill (SHB) 3283 (Chapter 184, Laws of 2008) provides certain businesses whose majority owner is an active duty military member with waivers for penalties and interest imposed on excise tax and forest tax returns or assessments. The law limits the waivers to those individuals and businesses that meet the statutory requirements, as noted below. The waiver is limited to a two-year (24 month) period.

What are the eligibility requirements for the waiver?

1. The majority owner (over 50% ownership) must be a member of the armed forces and be:
 - on active duty,
 - participating in an armed conflict, and
 - assigned to a location outside the United States.
2. The business's gross income must be \$1 million or less for the calendar year before the year the majority owner was assigned to military service outside the United States.

What amounts may be waived?

- Penalties and interest imposed after June 12, 2008, for late payment or nonpayment of excise tax or forest tax returns or assessments.
- The waiver is based on the date the penalty is imposed, not the return or assessment period.
- Only those penalties or interest assessed during a period of armed conflict when the active duty military person participated in the conflict and was stationed outside of the territorial United States qualify.

What amounts are not waived?

Amounts representing unpaid or underpaid excise or forest taxes may not be waived.

How long is the waiver effective?

The law does not have an expiration date. However, penalty and interest amounts may only be waived for qualifying businesses for a period of up to two years (24 months).

How do you request a waiver?

- The Department includes information regarding the available waiver on every penalty notice and assessment issued.
- If you meet the qualifying criteria, you must make the penalty or interest waiver request in writing. Send a copy of your deployment orders along with a copy of the penalty notice or assessment invoice and a brief explanation to:

Department of Revenue
Taxpayer Account Administration
PO Box 47476
Olympia, WA 98504-7476
Attn: Warrant Team

P.O. BOX 47478 | OLYMPIA, WASHINGTON 98504-7478 | 1-800-647-7706 | [HTTP://DOR.WA.GOV](http://DOR.WA.GOV)

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.

- Please ensure that your tax registration number and the specific invoice or assessment number(s) are noted on your waiver request.

If you have questions regarding the penalty and interest waivers, please contact our Tax Account Administration Division at (360) 902-7171.