



# Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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## Employee Repayment of Gasoline Costs

Where an employer allows employees to use company credit cards for personal use subject to the employee repaying the employer for those personal expenses, is the repayment taxable to the employer as the gross income of the business? For example, an employer may allow employees to use company cars for personal purposes and company credit cards to purchase gasoline, subject to the employee repaying the employer for the costs.

In this situation the employer has loaned to the employee the value of the gasoline. Thus, when the employee pays the employer for the personal expenses, the employer is merely receiving the principle of the loan. Gross income of the business is defined in RCW 82.04.080 as including “gains realized from trading in stocks, bonds, or evidences of indebtedness, interest ...”

The return of principle of a loan is not taxable to the lender. Only the gain or interest is taxable.

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**All ETAs were cancelled on February 2, 2009 and those which had a continued use were rewritten and reissued using a new numbering system. The new ETAs are numbered using the following format 3nnn.yyyy. The Department of Revenue issued ETA 3001.2009 which includes a cross reference table showing the old and new ETA numbers for those ETAs that were rewritten.**

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