



# Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

---

NUMBER: 3016.2009

ISSUE DATE: February 2, 2009

---

## Automobile Towing and Roadside Assistance Activities

This excise tax advisory (ETA) provides information about the meaning and taxability of "automobile towing and similar automotive transportation services." For purposes of this ETA, the phrase "automobile towing and similar automotive transportation services" will simply be referred to as "automobile towing." This ETA also provides information about the taxability of roadside assistance activities that may be performed by towing companies.

### *Taxability of automobile towing:*

Under RCW 82.04.050(2)(e), the sale of or charge made for labor and services rendered in respect to automobile towing is a retail sale. Persons providing automobile towing to consumers are subject to retailing business and occupation (B&O) tax on their gross proceeds of sales, and they must collect retail sales tax on the selling price. The local sales tax rate applicable to automobile towing is the rate in effect at the place of business of the automobile towing service operator.

Automobile towing does not include services taxable under the public utility tax. RCW 82.04.050(2)(e).

The total charge made for labor and services rendered in respect to automobile towing is subject to retail sales tax, including but not limited to charges for removing snow around a vehicle before towing, hook-ups, disconnecting the vehicle's drivetrain before towing, righting an overturned vehicle, and pulling a vehicle out of a ditch.

For purposes of this ETA, a "tow truck" is a motor vehicle that is equipped to transport other vehicles by raising an axle or combination of axles off the ground. A tow truck includes a truck primarily designed and intended to transport other vehicles by loading the vehicle or vehicles entirely onto the truck, including a flatbed, slide back, tilt bed, or rail design truck.

---

**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.**

Please direct comments to:  
Department of Revenue  
Interpretation and Technical Advice  
Division  
P O Box 47453  
Olympia, Washington 98504-7453  
(360) 570.6124 eta@DOR.wa.gov

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

***Examples of automobile towing:***

Automobile towing includes the following nonexclusive list of activities.

- Pulling or winching a motor vehicle out of a ditch.
- Transporting a repossessed motor vehicle with a tow truck.
- Transporting a damaged, inoperable, abandoned, or unauthorized (e.g., illegally parked) motor vehicle, including a motorcycle, with a tow truck.
- Transporting donated motor vehicles to an auction yard with a tow truck, whether the vehicles are operable or inoperable.
- Transporting, with a tow truck, a motor vehicle of a for-hire motor carrier engaged in the business of transporting persons or property in interstate or foreign commerce.
- Transporting not more than two motor vehicles at a time for a single customer, where the vehicles have been raised onto a flatbed tow truck, regardless of: (1) whether or not the flatbed tow truck is capable of transporting more than two motor vehicles; and (2) how many vehicles are being transported on the truck. This would include the transporting to a junkyard of not more than two motor vehicles at a time for a single customer on a flatbed tow truck.
- Transporting three or more vehicles at a time that have been raised onto a flatbed tow truck and where no more than two vehicles are transported for a single customer. If three vehicles are transported for a single customer and another vehicle or vehicles are transported for separate customers, the amount received for transporting three vehicles for the single customer is subject to public utility tax as explained below, and the amounts received for transporting the other vehicle(s) are subject to retailing B&O tax, and retail sales tax must be collected from the customer(s).

***Examples of activities that are not automobile towing:***

Automobile towing does not include the nonexclusive list of activities below, which are subject to public utility tax under the motor transportation or urban transportation classification, even if performed with a tow truck. For additional information about motor and urban transportation public utility tax, refer to WAC 458-20-180 (Motor transportation, urban transportation).

- Transporting a boat.
- Transporting a mobile home.
- Transporting farm equipment, such as tractors and combines.
- Transporting construction equipment, such as excavators and dozers.
- Transporting a tool trailer or an office trailer between construction jobsites.
- Transporting more than two motor vehicles at a time for a single customer, where the vehicles have been raised onto a flatbed tow truck.
- Transporting a single vehicle by a common or contract carrier, as those terms are defined in RCW 81.80.010, using a vehicle other than a tow truck. For example, the transportation of a single vehicle on a semitrailer by a common or contract carrier is not considered automobile towing.

***Taxability of roadside assistance activities:***

The definition of a "retail sale" in RCW 82.04.050 also includes installing, repairing, cleaning, altering, or otherwise improving tangible personal property for consumers. Thus, retailing B&O and retail sales taxes apply to charges made to consumers for the following nonexclusive list of roadside assistance activities.

- Charging a battery;
- Inflating or repairing a flat tire, or installing a spare tire;
- The replacement of fluids such as engine coolant or oil;
- The installation of parts or the repair of a motor vehicle; and
- Sale of delivered gasoline. A deduction is allowed from the measure of retailing B&O tax for the amount of state and federal gas taxes. Retail sales tax does not apply to the sale of gasoline if the motor vehicle fuel tax is paid.

Some roadside assistance activities are subject to B&O tax under the service and other activities tax classification and are not subject to retail sales tax, because they are not considered retail sales and are not specifically taxed under any other B&O tax classification. The following is a nonexclusive list of roadside assistance activities that are subject to service and other activities B&O tax.

- Jump starting a motor vehicle; and
- Unlocking a motor vehicle.