



Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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Repair Work on Goods Damaged in Transit Ordered by the Shipper, the Carrier, or the Owner

Does the retail sales tax apply to the repairing of items damaged in transit (a) when the work is ordered by the shipper, (b) when it is ordered by the carrier, or (c) the owner?

When goods that are held for resale are damaged in transit and the owner pays for the goods to be repaired, the repair is not subject to retail sales tax, if the owner provides a resale certificate certifying that the goods are for resale in the regular course of the owner's business activities. Upon receipt of the resale certificate, the person making the repairs may exclude the retail sales tax from its billing and report the transaction under the business and occupation tax classification, "wholesaling," RCW 82.04.060.

However, when repair work was performed for the carrier or the owner is not in the business of reselling the goods being repaired, the transaction was a "sale at retail," RCW 82.04.050, subject to the retail sales tax.

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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