



Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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Payment Prior to Services - When Taxable

Is income taxable when received or is it taxable when the services for which payment is made are rendered?

This issue arises whenever the legislature changes the tax rate on or classification of an activity.

The liability for business and occupation and retail sales taxes is determined at the time the services are rendered. It is immaterial that the parties may have agreed that payments were to be made in advance of the rendition of services. See WAC 458-20-235.

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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