

Annual Reconciliation of Apportionable Income

All fields must be completed or the reconciliation will not be accepted. The Department may request additional documentation supporting the reconciliation. You can also complete this form online at MyDOR. See instructions on page 2 for more information and guidance.

Account ID:

Year to be reconciled:

Business name/DBA:

Contact name:

Address:

Phone:

City:

State:

Zip:

Tax classification:

$$\begin{array}{r}
 \text{(Washington income)} \\
 \hline
 - \\
 \text{(Worldwide income)}
 \end{array}
 =
 \begin{array}{r}
 \text{(Receipts factor)} \\
 \hline
 - \\
 \text{(Throw-out income)}
 \end{array}$$

Tax period	Worldwide gross less deductions	Receipts factor	Taxable income	Previously reported	Difference
January					
February					
April					
May					
July					
August					
October					
November					
Totals					

If your annual reconciliation results in a credit, would you prefer a credit or refund? Credit Refund

If your annual reconciliation results in tax due, tax must be paid by October 31 of the following year. Refer to the payment instructions on page 2.

Attach a *Confidential Tax Authorization form* if filing on behalf of claimant.

Taxpayer or representative (print):

Signature:

Date:

To ask about the availability of this publication in an alternate format for the visually impaired, please call 360-705-6705. Teletype (TTY) users may use the WA Relay Service by calling 711.

Mail this form to the following address:

Attn: Amended Returns
Washington State Department of Revenue
PO Box 47476
Olympia, WA 98504-7476

How to complete online

The online version includes a calculator to help you determine your throw-out income:

- Log in to My DOR.
- Choose “File a return” in the left navigation bar.
- Choose “Reconciliation of Apportionable Income.”

Frequently asked questions

Who should file this form?

Taxpayers required to use the apportionment method may report their taxable income either based on using the receipts factor for the most recent calendar year the taxpayer has available or based on using actual current calendar year information. Once the taxpayer has the information available to determine the receipts factor for an entire calendar year, it must file this form to reconcile their apportionable income and obtain a refund or pay any additional tax due.

Apportionable tax classifications include:

- Service and other activities.
- Royalties.
- Travel agents and tour operators.
- International business activities including steamship agent, customs house broker, freight forwarder, vessel and/or cargo charter broker in foreign commerce, and/or air cargo agent.
- Stevedoring and associated activities.
- Disposing of low-level waste.
- Insurance producers, title insurance agents, or surplus line brokers.
- Public or nonprofit hospitals.
- Real estate brokers.
- Research and development performed by nonprofit corporations or associations.
- Inspecting, testing, labeling, and storing canned salmon owned by another person.
- Representing and performing services for fire or casualty insurance companies as an independent resident managing general agent licensed under the provisions of chapter 48.17 RCW.
- Contests of chance.
- Horse races.
- International investment management.
- Aerospace product development.
- Printing or publishing a newspaper, but only with respect to advertising income.
- Printing materials other than newspapers, and of

publishing periodicals or magazines, but only with respect to advertising income.

- Cleaning up radioactive waste and other by-products of weapons production and nuclear research and development, but only with respect to activities that would be taxable as an “apportionable activity” if this special tax classification did not exist.

When should I fill out this form?

As soon as you have the information needed to determine the receipts factor for a calendar year. To avoid penalties you must send the form to the Department of Revenue and pay any tax due by October 31 of the following year.

How do I calculate my receipts factor and taxable income?

A separate reconciliation must be filed for each year and each apportionable tax classification. Refer to Washington Administrative Codes (WAC) 458-20-19401, WAC 458-20-19402, and WAC 458-20-19403 or visit our website at dor.wa.gov/education/industry-guides/out-state-businesses.

- The numerator of the calculation is the gross apportionable income attributable to Washington before deductions.
- The denominator of the calculation is the worldwide gross apportionable income before valid deductions, less throw-out income.
- Throw-out income is income that is not taxable in any other state and at least part of the activity related to the throw-out income is performed in Washington.
- Important: These instructions do not apply to financial institutions. Financial institutions should refer to WAC 458-20-19404.

If I owe additional tax, how do I pay?

If you choose to file this form electronically on My DOR, the online form will provide a method to pay electronically.

If you choose to mail this form and want to pay electronically, go to our website at dor.wa.gov and log into My DOR in the upper right-hand corner. If you’re not already registered, click on Register Now. Once you’re logged in, click on Invoices & Payment Options, then Miscellaneous Payments and choose Other.

To pay by check, mail this form and any supporting documentation, to the address listed above.

Will there be interest?

Interest will apply to both refunds and additional amounts due. The Department will automatically include interest in refunds. If additional tax is due, the Department will notify taxpayers of the amount of interest due.

What if I have questions about my reconciliation?

Questions about the form: Call 360-705-6218, or send an email inquiry to communications@dor.wa.gov

Questions about a submitted form: Call 360-705-6218