

WASHINGTON STATE DEPARTMENT OF REVENUE

LOCAL SALES TAX CHANGE

City of Olympia **Housing and Related Services Tax Car Dealers and Leasing Companies** Effective July 1, 2018

Effective July 1, 2018, local sales and use tax within the City of Olympia will increase one-tenth of one percent (.001). The tax will be used for housing and related services.

Businesses must collect the appropriate new rate of sales tax for retail sales and services provided within the City of Olympia. Persons or businesses within the City of Olympia will be subject to the new tax rate of use tax on items purchased for their personal or business use if sales tax has not been paid.

Special Reporting Instructions for Sales or Leases of Motor Vehicles:

Businesses that report sales or leases of motor vehicles (for up to the first thirty-six months of the lease) will need to report using the following location code and tax rate. After the thirty-six months of motor vehicle leases, the original city code should be used.

Location	Location Code Number	Local Sales Tax Rate	State Sales Tax Rate	Total Sales Tax Rate
Olympia MVET	3453	.023	.065	.088

Reporting Instructions for Retail Sales:

Businesses that report retail sales (other than sales or leases of motor vehicles) will need to report using the following location code and tax rate:

Location	Location Code Number	Local Sales Tax Rate	State Sales Tax Rate	Total Sales Tax Rate
Olympia	3403	.024	.065	.089

Below is an example of how to report local retail sales tax on your excise tax return assuming sales of motor vehicles total \$50,000 and repairs total \$10,000 in Olympia. . . .

New sales tax							
applies i.e. service	Co.	Γax Due City or	te	Local Ra	unt	Taxable Amo	Location Code
and parts.	00	240		.024	00	10,000	3403
•	00	1150		.023	00	50,000	3453
• Represents only	00	1390	TAL	ТО	00	60,000	TOTAL TAXABLE
motor vehicle		Tax Due	Rate	Amount	Taxable	fication	Tax Classi
sales.	00	150	.003	00	50,000	eases (eff. 7/1/03)	Motor Vehicle Sales/L

Note: The three-tenths of one percent (.003) Motor Vehicle Sales/Lease Tax that was implemented July 1, 2003 still applies to the sale, lease, or rental of motor vehicles.

To determine the proper codes and rates of local sales tax you may access our Tax Rate Lookup Tool located at dor.wa.gov. On the home page, click on the **Find a sales or use tax rate** link.

This notice is being sent to businesses that have reported local sales or use tax to the City of Olympia within the last year.

If you have questions, or if Sales Tax Collection Schedules are needed, please go to our web site at dor.wa.gov or call the Department of Revenue at 1-800-647-7706.

State of Washington

Taxpayer Account Administration

PO Box 47476

Olympia WA 98504-7476

For tax assistance or to request this document in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

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