

# Selling Spirits in Washington State

JULY 2015

## Off-Premises Licensees

### Spirits Retailers – Grocery Stores, etc.

Selling spirits in the original container for off-premises consumption.

#### Important Dates

**Effective March 1, 2012**

Off-premises licensees may begin to purchase spirits from distributors and distillers.

**Effective June 1, 2012**

Off-premises licensees may begin to sell spirits in their original containers to the general public and on-premises licensees.

### How Taxes Apply to the Sale of Spirits

Spirits sales are subject to Washington taxes administered by the Department of Revenue.

#### Spirits Taxes ([RCW 82.08.150](#))

##### Sales to the General Public

Off-premises licensees must collect and remit the spirits taxes on all sales of spirits in their original container to the general public as follows:

- Spirits sales tax at the rate of **20.5 percent** of the selling price
- Spirits liter tax at the rate of **\$3.7708** per liter

##### Sales to On-Premises Licensees

(Restaurants, bars, taverns, etc., selling spirits for on-premises consumption by the drink)

Off-premises licensees must collect and remit the spirits taxes on all sales of spirits in their original container to on-premises licensees as follows:

- Spirits sales tax at the rate of **13.7 percent** of the selling price
- Spirits liter tax at the rate of **\$2.4408** per liter

#### Sales to Non-Residents

Spirits sold to non-residents do not qualify for exemption from the spirits taxes even if the purchaser qualifies for an exemption from the general sales tax. ([RCW 82.08.0273](#))

#### Sales in Indian Country

Sales of spirits delivered in Indian Country to tribal businesses or enrolled member/citizens are exempt from spirits taxes. See the fact sheet titled: [Sales Involving Tribes](#)

## **Business and Occupation (B&O) Tax**

### **Wholesaling B&O Tax**

Off-premises licensees must report wholesaling B&O tax on all sales of spirits to on-premises licensees.

### **Retailing B&O Tax**

Off-premises licensees must report retailing B&O tax on all sales of spirits to the general public.

## **Retail Sales Tax**

The general retail sales tax does not apply on sales of spirits in their original containers. Off-premises licensees selling spirits to the general public must report these sales under the Retail Sales Tax classification (gross Retail Sales must match gross Retailing B&O) and then take a "Sales of Spirits" deduction.

## **Licensing Fees**

Off-premises licensees may also be liable for licensing fees based on gross revenues. These fees are administered and payable to the Washington State Liquor and Cannabis Board (LCB). For more information, see LCB's fact sheets posted at <http://www.liq.wa.gov/transition/fact-sheets>. If you have questions regarding licensing or fees, please call LCB's Customer Service Team at 360-664-1600 and choose Option 1 at the prompt

## **Documentation Required for the Sale of Spirits**

When making spirits sales, off-premises licensees must be able to document that the proper spirit taxes, if any, have been collected. For more information on these documentation requirements, see our fact sheet on [Documenting Spirits Sales](#).

**TELEPHONE INFORMATION CENTER**  
**1-800-647-7706**

**[HTTP://DOR.WA.GOV/SPIRITS](http://dor.wa.gov/spirits)**