

Instructions for Determining your Monthly Small Business Credit (SBC)

For periods on or after January 1, 2023

If you need assistance determining your percentage of taxable income, follow steps 1 through 3 in the worksheet below.

If you answer “yes” to question 1 below, use **Table 1**.

1. Was **50% or more** of your taxable income reported under Service and Other Activities, Service and Other Activities (\$1 million or greater in prior year), Gambling Contests of Chance, For Profit Hospitals, and/or Scientific R&D?

If you answer “yes” to question 2 below, use **Table 2**.

2. Was **less than 50%** of your taxable income reported under Service and Other Activities, Service and Other Activities (\$1 million or greater in prior year), Gambling Contests of Chance, For Profit Hospitals, and/or Scientific R&D?

Once you determine which credit table to use, follow steps 4 through 7 below to calculate your net B&O tax due.

Small Business Credit Table Worksheet (For your use only)

Determine your percentage

Step 1: Add together the B&O taxable income you’re reporting for these classifications:

Service and Other Activities	\$ _____	
Service and Other Activities (\$1 million or greater in prior year)	\$ _____	
Gambling Contests of Chance	\$ _____	
For Profit Hospitals; Scientific R&D	\$ _____	
	Total	\$ _____

Step 2: Enter the total of your taxable income for all B&O classifications \$ _____

Step 3: Divide the total from step 1 by the amount in step 2 _____ %

Determine your net B&O tax due

Step 4: Enter the total amount of tax due for all B&O classifications \$ _____

Step 5: Add together the credit amounts taken for:

Multiple Activities Credit (MATC)	\$ _____	
International Service Credit	\$ _____	
Other B&O Credits	\$ _____	
	Total	\$ _____

Step 6: Subtract the Step 5 total from the Step 4 amount. This net B&O tax due amount is used to determine your SBC. \$ _____

Step 7: Using the table determined in the questions above, calculate your SBC based on the amount in Step 6. Write the amount of your SBC in the Credits section on page 2 of your return on the Small Business B&O Tax Credit line.

Monthly Small Business Credit

Table 1

If your net B&O tax is		Your Small Business B&O Tax Credit is:
<i>At Least</i>	<i>But Less Than</i>	
\$0	\$160	Equal to the Net B&O Tax Due
\$160	\$165	\$160
\$165	\$170	\$155
\$170	\$175	\$150
\$175	\$180	\$145
\$180	\$185	\$140
\$185	\$190	\$135
\$190	\$195	\$130
\$195	\$200	\$125
\$200	\$205	\$120
\$205	\$210	\$115
\$210	\$215	\$110
\$215	\$220	\$105
\$220	\$225	\$100
\$225	\$230	\$95
\$230	\$235	\$90
\$235	\$240	\$85
\$240	\$245	\$80
\$245	\$250	\$75
\$250	\$255	\$70
\$255	\$260	\$65
\$260	\$265	\$60
\$265	\$270	\$55
\$270	\$275	\$50
\$275	\$280	\$45
\$280	\$285	\$40
\$285	\$290	\$35
\$290	\$295	\$30
\$295	\$300	\$25
\$300	\$305	\$20
\$305	\$310	\$15
\$310	\$315	\$10
\$315	\$320	\$5
\$320	More	\$0

Note:
Keep this table as a reference for future returns or access it at the Department's website at dor.wa.gov.

Table 2

If your net B&O tax is		Your Small Business B&O Tax Credit is:
<i>At Least</i>	<i>But Less Than</i>	
\$0	\$55	Equal to the Net B&O Tax Due
\$55	\$60	\$55
\$60	\$65	\$50
\$65	\$70	\$45
\$70	\$75	\$40
\$75	\$80	\$35
\$80	\$85	\$30
\$85	\$90	\$25
\$90	\$95	\$20
\$95	\$100	\$15
\$100	\$105	\$10
\$105	\$110	\$5
\$110	More	\$0