



# Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

JULY 16, 2015

## Reduced public utility tax rate for log transportation businesses

Beginning August 1, 2015, a new law provides a reduced public utility tax (PUT) rate for most log transportation ([Engrossed Substitute Senate Bill 6057 Part VII \(Chapter 6, Laws of 2015\)](#)). The PUT rate is reduced from 1.926 percent to 1.3696 percent.

Log transportation meeting the definition of urban transportation may be reported under the urban transportation PUT classification. The rate is currently 0.642 percent.

Income from transporting logs only on private roads is reported under the service and other activities business and occupation (B&O) tax. The rate is currently 1.5 percent.

### Definitions

“Log transportation businesses” and “urban transportation businesses” are defined as:

*Log transportation business:* the business of transporting logs by truck, except when the transportation:

- meets the definition of “urban transportation business,” or
- occurs only on private roads

*Urban transportation business:* the business of operating any vehicle for public use moving people or property for hire, if operating entirely:

- within the corporate limits of any city or town,
- within five miles of the corporate limits of any city or town,
- within and between cities and towns whose corporate limits are not more than five miles apart or within five miles of the corporate limits of each other.

Urban transportation businesses include operating passenger vehicles of every type and cartage, pickup, or delivery services. This includes collecting and distributing property arriving from or destined for a point within or outside Washington, whether local or interstate line-haul.

### Questions?

Visit our website at [dor.wa.gov](http://dor.wa.gov), send an email to [dorcommunications@dor.wa.gov](mailto:dorcommunications@dor.wa.gov), or call the Department’s Telephone Information Center at 360-705-6705. More information is also available in our [trucking industry guide](#).

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