

Local Employer Tax

RCW	81.100.030 and 81.104.150		
Tax Base	<p>Full-time equivalent (FTE) employees working in the county or city.</p> <p>Includes all employers (private firms and governmental agencies).</p>		
Tax Rate	Up to \$2.00 per FTE employee per month.		
Recent Collections (\$000)	Collection information may be available from counties and cities imposing the tax, or through the State Auditor Office’s Financial Intelligence Tool .		
Distribution of Receipts	Counties and cities use receipts for local transportation-related purposes.		
Levied by	<p>With voter approval, the following levy these taxes:</p> <table border="1"> <tr> <td> <p>High Occupancy Vehicle Systems (RCW 81.100.030):</p> <p>King, Pierce, or Snohomish counties for high occupancy vehicle (HOV) systems (e.g., carpooling programs and HOV lanes) or a regional transportation investment district (RTID) for authorized capital and RTID purposes.</p> </td> </tr> <tr> <td> <p>High-Capacity Transportation (RCW 81.104.150):</p> <p>Counties, cities, metropolitan municipal corporations, public transportation benefit areas, high-capacity transportation corridor areas, and regional transit authorities if the district operates high-capacity transportation systems (e.g., commuter rail systems). If the county levies a local employee tax for HOV systems, then these jurisdictions may not levy the tax.</p> </td> </tr> </table>	<p>High Occupancy Vehicle Systems (RCW 81.100.030):</p> <p>King, Pierce, or Snohomish counties for high occupancy vehicle (HOV) systems (e.g., carpooling programs and HOV lanes) or a regional transportation investment district (RTID) for authorized capital and RTID purposes.</p>	<p>High-Capacity Transportation (RCW 81.104.150):</p> <p>Counties, cities, metropolitan municipal corporations, public transportation benefit areas, high-capacity transportation corridor areas, and regional transit authorities if the district operates high-capacity transportation systems (e.g., commuter rail systems). If the county levies a local employee tax for HOV systems, then these jurisdictions may not levy the tax.</p>
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Administration	The levying jurisdiction may contract with the Department of Revenue or another appropriate entity for collection of the tax from employers.		
History	2009 Allowed a new type of taxing jurisdiction in Clark and Spokane counties known as a high-capacity transportation corridor area to impose the tax.		

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- 2002 Allowed regional transportation investment districts to impose an employer tax if a county does not already impose a tax.
 - 1990 Adopted the local employer tax.
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