

## Spirits Sales Tax

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**RCW** 82.08.150

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**Tax Base** The selling price of spirits in the original packaging.

The term “spirits” means any beverage containing alcohol obtained by distillation, including wines with more than 24% alcohol by volume but excluding flavored malt beverages.

Retail sales tax does not apply to purchases of spirits by consumers.

Tax exemptions may reduce these taxes.

For more information, refer to the [Tax Exemption Study](#).

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**Tax Rate** 20.5% for consumers  
13.7% for on-premises retailers (restaurants, bars, etc.)

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**Recent Collections (\$000)**

Fiscal Year	Collections	% Change	% of All State Taxes
2021	\$208,891	13.4%	0.7%
2020	\$184,259	10.2%	0.7%
2019	\$167,222	7.0%	0.6%
2018	\$156,304	5.2%	0.7%
2017	\$148,589	5.0%	0.7%
2016	\$141,573	6.7%	0.7%
2015	\$132,646	3.8%	0.7%
2014	\$127,826	1.0%	0.7%
2013	\$126,539	16.7%	0.7%
2012	\$108,465	6.2%	0.7%

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**Distribution of Receipts** The following funds receive a portion of these taxes:

- The General Fund receives 74% of the taxes.
- The Liquor Excise Tax Fund receives 26% of the taxes.

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**Levied by** State

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**Administration** Department of Revenue

The buyer pays the tax to the seller. The seller reports and pays the tax to the Department of Revenue.

Distributors and retailers must obtain a license to sell spirits from the Liquor and Cannabis Board.

Enforcement activities related to the spirits sales tax are performed by the Liquor and Cannabis Board.

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**History**

- 2021 Exempted sales of “mini-bottles” from the spirits liter tax. The exemption expired July 1, 2023.
- 2011 Voters passed initiative 1183, privatizing the sale of liquor. Before this initiative passed, only the Liquor Control Board supplied spirits and sold spirits at a bottle price that included the spirits tax. The initiative made the Department of Revenue responsible for collecting the spirits sales tax.
- 2009 Redirected receipts from the additional taxes from the Health Services Account to the General Fund.
- 2003 Strong beer (more than 8% alcohol by weight) shifted from the liquor sales tax to the beer excise tax.
- 1993 Enacted additional tax rates and deposited the taxes in the Health Services Account to fund public healthcare services. The initial rates were 1.7% for consumers and 1.1% to class H licensees. Scheduled the additional taxes to increase to 2.6% and 1.7% on July 1, 1995, and to 3.4% and 2.3% on July 1, 1997.
- 1982 Added a 14% surtax to the basic rate. The definition of strong beer increased from 4% to 8% alcohol by weight.
- 1959 The tax rate increased to 15% for sales to consumers.
- 1951 Adopted the liquor sales tax at a rate of 10% and exempted liquor from the retail sales tax.
- 1949 Repealed the liquor sales tax.
- 1943 Added a “war liquor tax” of 10%.

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1939 Extended the retail sales tax to sales by the Liquor Control Board.

1935 Adopted the liquor sales tax.

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