December 20, 2023

TO: The Honorable Derek Stanford, Chair
    The Honorable Perry Dozier
    Business, Financial Services, Gaming & Trade Committee
    Washington State Senate

    The Honorable Cindy Ryu, Chair
    The Honorable Mike Volz
    Innovation, Community & Economic Development, & Veterans Committee
    Washington State House of Representatives

    Rob Duff, Executive Director, Policy & Outreach
    Office of the Governor

FROM: Drew Shirk, Director
      Washington State Department of Revenue

SUBJECT: 2023 State Agency Business Licensing Information Report

The Department of Revenue is submitting this report to the Legislature and Governor as required by \textit{RCW 19.02.055(3)}. This law directs 24 state agencies to provide the Department's Business Licensing Service with essential information about each agency's business licensing requirements and to update that information each year. The agencies are directed to provide detailed information, including:

- A listing of all business licenses issued by the agency.
- A description of the persons and activities for which the license is required.
- The duration of the license and any issuance or renewal requirements.

Each agency must certify annually to the Department that the licensing information the agency has provided is complete and current or submit a progress report and explanation. The Department must compile the information and submit an aggregate report to the Legislature's economic development committees and the Governor by January 1 of each year. Included with
the attached report is an appendix, in a spreadsheet format, which includes information provided by the responding agencies.

If you have any questions or need the report in an alternate format, please contact Steve Ewing, Legislative and External Affairs Liaison, Executive Division, at (360) 534-1545 or SteveE2@dor.wa.gov.

Attachment

cc: Members, Senate Business, Financial Services, Gaming & Trade Committee
Members, House Innovation, Community & Economic Development, & Veterans Committee
Sarah Bannister, Secretary, Washington State Senate
Bernard Dean, Chief Clerk, Washington State House of Representatives
David Schumacher, Director, Office of Financial Management
Pat Sullivan, Executive Director, Legislative Affairs, Office of the Governor
Roselyn Marcus, Assistant Director, Office of Financial Management
Rachel Knutson, Senior Budget Assistant, Office of Financial Management
2023 State Agency
Business Licensing Information

December 2023
Washington State Department of Revenue
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Summary

The Department of Revenue (Department) is submitting this report to the Legislature and Governor in response to RCW 19.02.055, enacted in 2013.

This law is intended to promote economic development by providing licensing information to businesses. With that goal, the law directs 24 state agencies to provide the Department’s Business Licensing Service with updated information about each agency’s business licensing requirements annually.

Each agency is directed to provide detailed information including:
- A listing of each business license issued by the agency;
- A description of the persons and specific activities for which the license is required.
- The time period for which the license is issued and any issuance, renewal, or reissuance requirements; and
- Other information the department determines necessary to implement this section, including links to the licensing information, application, and instructions on the agency’s web site, if available.

Each agency must certify annually to the Department that the licensing information the agency has provided is complete and up-to-date or submit a progress report and explanation. The Department must compile the information and submit an aggregate report to the Legislature and Governor by January 1st of each year.
Background

Business Licensing Service

The state’s Business Licensing Service (BLS), part of the Department of Revenue, is the state’s primary business licensing portal. First established in the 1970s as the Master License Service at the Department of Licensing, the Legislature transferred the program to the Department of Revenue in 2011. As originally envisioned, BLS was intended to provide a convenient, accessible, and timely one-stop service for the business community to acquire and maintain the necessary licenses to conduct business.

BLS is a one-stop business licensing and renewal service for many businesses. For example, a sole proprietor grocery store opening in Richland registers through BLS to comply with multiple agencies’ requirements at once. Using BLS, it:

- Registers with the Department of Revenue, Department of Labor & Industries, and the Employment Security Department.
- Registers as a lottery retailer with the State Lottery.
- Obtains retail liquor licenses and cigarette and vapor permits from the Liquor and Cannabis Board.
- Registers scales with the Department of Agriculture.
- Obtains a business license from the city of Richland.

As state and city partnerships continue to grow, BLS becomes a one-stop destination for many more businesses. Currently, BLS offers more than 300 licenses from 9 state agencies, over 200 cities, and 2 counties using a single, combined application process. BLS is one of the very few systems in the country that allows a business to register with state agencies and get county or city licenses using the same system.
Collecting the Information

In 2023, the Department contacted the participating state agencies and asked them to certify that the licensing information submitted in 2022 was still correct, or to provide updates. All 24 agencies provided the Department with this information.

Questions to Participating Agencies

The participating state agencies answered these questions:

▪ What is the license name?
▪ What is the purpose of the license?
▪ What is the process for submitting the application?
▪ Where is the application available?
▪ What is the average time between application and license issuance?
▪ What are the fees associated with this license?
▪ Does this license need to be renewed? How often?
▪ Are there online resources for businesses?
▪ Is this license available through the Business Licensing Service (BLS) program?
Participating Agencies

All 24 agencies responded to the Department with the required information in 2023. They are:

- Board of Accountancy
- Department of Agriculture
- Department of Archaeology and Historic Preservation
- Department of Children, Youth, and Families
- Department of Ecology
- Department of Financial Institutions
- Department of Fish and Wildlife
- Department of Health
- Department of Labor & Industries
- Department of Licensing
- Department of Revenue
- Department of Social and Health Services
- Department of Transportation
- Employment Security Department
- Gambling Commission
- Horse Racing Commission
- Liquor and Cannabis Board
- Office of the Insurance Commissioner
- Secretary of State
- State Lottery
- Student Achievement Council
- Utilities and Transportation Commission
- Washington State Patrol
- Workforce Training and Education Coordinating Board
Online Integration

The Department integrated the information provided by the state agencies into its online Business Licensing Wizard, available on the Department’s website: dor.wa.gov.

The Business Licensing Wizard is an interactive online resource that takes the user through a series of questions to determine the various business licenses needed. The Wizard currently includes information and contacts for hundreds of business activities, extending to most cities and every county in Washington.

By consolidating the information gathered into the Wizard, the Department has created a more comprehensive online resource for businesses to determine the licenses they need in the state of Washington. After a business steps through the questions in the interactive Wizard, they are presented with a guide sheet that includes detailed information and instructions about the licenses they need, along with contact information for non-partner licenses, to help them get set up correctly. The business may retain a copy of the Wizard guide sheet by sending it to an email address.

For an example of a Business Licensing Wizard-guide sheet, see Pages 8-11. The guide sheet includes a link to the appropriate webpage with more licensing information. An example of an Informational Web Page is shown beginning on Page 12.

The Business Licensing Wizard guides the customer through the process of getting all required business licenses, permits, and registrations. This “wizard-type” tool for state and city licensing gives Washington businesses the peace of mind that they have met all of their licensing requirements and are ready to successfully start business.

A complete listing of the information provided by the 24 agencies can be found at: https://dor.wa.gov/open-business/apply-business-license/registrations-and-filings-required-businesses

Conclusion

RCW 19.02.055’s ongoing requirements will ensure that up-to-date business licensing information for all participating agencies continues to be made available in one place to better serve business needs.
Business Licensing Wizard (Example 1)

Based on your scenario

Below is your custom list of Washington state license requirements based on the information you provided. The list is intended to help you prepare to file your Washington State Business License application.

For contact information for city and state agencies that are not partners with the Washington State Business Licensing Service, see Additional Resources.

Before you apply

You have chosen your business ownership as Corporation

Research business name(s):

Is anyone else using your business name? To avoid possible infringement on a reserved name, make sure you do a thorough search on all business names you will use:

- For Washington Trademark information, visit http://www.oas.wa.gov/corps/trademarks.aspx or call (360) 725-6344
- Search Department of Revenue’s Business Lookup at http://dor.wa.gov/businesslookup
- Contact the U.S. Patent and Trademark Office at 1-800-766-9199 or visit http://www.uspto.gov/

Register with the Washington Secretary of State

You are required to register your corporation or LLC structure with the Washington Secretary of State prior to filing a Washington State Business License Application. Filing with the Secretary of State can be done at http://www.oswwa.gov/corps/

The Secretary of State will issue your business a Washington State Unified Business Identifier (UBI). This UBI is required to complete a business license application.

Washington Secretary of State
Corporations Phone: (360) 725-0377
http://www.oas.wa.gov/corps/

Apply for your Washington State Business License

The Washington State Business License Application is used to apply for many state endorsements, registrations, and city licenses.

You can apply online for ALL of the following items as part of your Washington state business license application. A $90 processing fee (nonrefundable) is required to open or reopen a business. For any additional updates, please see dor.wa.gov/BUSProcessingFee for applicable fees.

Tax Registration
Fee:
Tax Registration - No fee
Trade Name - $5 per trade name
Average approval time from the date a completed application is received: 3-7 business days.

Olympia General Business
Fee:
General Business endorsement - $50
General Business - Non-Resident endorsement - $30
Nonprofit Business endorsement - No fee
Average approval time from the date a completed application is received: 3-5 business days.

Apply Now
Business Licensing Wizard - Guide Sheet (cont.)

Summary of Information You Provided

Business Activities

The business activity you selected is **Adult Daycare**.

COUNTY ZONING: If your business is located outside city limits, contact the Thurston County’s Permit Assistance Center at (800) 786-5400 for zoning information.
http://www.co.thurston.wa.us/permitting/

Employee Information

You indicated the employee type is: **Adults**

HIRING EMPLOYEES: All employers are required to report all newly hired and rehired employees to the Division of Child Support (DCS).

Department of Social and Health Services
Child Support Enforcement Phone: 1-800-562-0479

You must also retain a completed Federal I-9 form for every employee.
U.S. Citizenship and Immigration Services Phone: 1-800-877-5676

Location Information

BUSINESS AND OCCUPATION TAXES: Washington cities tax private businesses, municipal, and private utility companies within their boundaries. Contact each city in which business will be conducted.

Please be advised that you should contact any incorporated city or any county in which you perform your work to determine if there are additional licensing or zoning requirements. Additional items you need to inquire about are:

* A building permit for any construction or modification to a building.
* The local codes before making or ordering a sign for your business because cities often restrict location, size, etc.

Additional Resources and Requirements

City

You provided the business physical location address: **Olympia (Thurston County) WA**

BUSINESS AND OCCUPATION TAXES: Washington cities tax private businesses, municipal, and private utility companies within their boundaries. Contact each city in which business will be conducted.

Please be advised that you should contact any incorporated city or any county in which you perform your work to determine if there are additional licensing or zoning requirements. Additional items you need to inquire about are:

* A building permit for any construction or modification to a building.
* The local codes before making or ordering a sign for your business because cities often restrict location, size, etc.

County

**THURSTON COUNTY, WASHINGTON**

Business Licensing Inquiries (unincorporated areas only) Phone: (360) 786-5406
http://www.co.thurston.wa.us/auditor/

**PROPERTY AND PERSONAL PROPERTY TAX**: You must report your business property, furniture, equipment, supplies, etc., to the assessor of the county in which your business is located.
Thurston County Assessor Phone: (360) 786-5410
http://www.co.thurston.wa.us/assessor/
Business Licensing Wizard - Guide Sheet (cont.)

State

EMPLOYMENT SECURITY DEPARTMENT:
Phone: (360) 902-9650
https://es.wa.gov/employer-taxes

See specific licensing requirements:

DEPARTMENT OF LABOR AND INDUSTRIES:
Phone: (360) 902-5800 or 1-800-547-8367
http://www.lni.wa.gov/

HOME CARE AGENCY LICENSING:
Washington State Department of Health
Facilities and Services Licensing Division Phone: (360) 236-2000
http://www.doh.wa.gov/LicensePermitCertificates/Facilities/NewRenewalUpdate/HomeCareAencies

STILL NEED ASSISTANCE?

You will be provided with step-by-step instructions for planning, starting, operating, running or growing your business in Washington State.

SALES TAX INFORMATION: If your business provides a service to customers, you may be required to collect sales tax for that service. Contact the Washington State Department of Revenue for further information regarding sales tax.

Washington State Department of Revenue
Phone: 360-705-6705
http://dor.wa.gov/

Reseller Permit
https://dor.wa.gov/find-taxes-rates/retail-sales-tax/reseller-permits

See specific licensing requirements:

Federal

FEDERAL TAX NUMBER: You may need an Employer Identification Number (EIN) also known as federal tax identification number.
Internal Revenue Service Phone: 1-800-829-4933

U.S. COPYRIGHT LAWS: If you use or intend to use live or recorded music at your place of business, be aware that all music used in this way is protected by U.S. copyright law. For information:
Business Licensing Service Use of Music
http://bs.dor.wa.gov/music_ua.aspx

American Society of Composers, Authors and Publishers (ASCAP)
Phone: 1-800-925-4392 or
Broadcast Music Incorporated (BMI)
Phone: 1-800-925-4391 or
SESAC Incorporated
Phone: 1-800-826-9996

AFFORDABLE CARE ACT: For information or to apply online for medical health care coverage for business owners and employees. visit https://www.healthcare.gov/businesses/

FEDERAL FORMS:
Internal Revenue Service
Phone: 1-800-829-3676 to order Publication 583 - Starting a Business and Keeping Records

Federal taxes may be owed by electronic transfer. In some cases, payment through electronic transfer is mandatory.
Phone: 1-800-555-4477 or 1-800-942-9490 for enrollment forms

You may also file some of your federal tax returns electronically.
Phone: 1-800-829-1040 to get information on electronic filing.
Business Licensing Wizard - Guide Sheet (cont.)

**By Mail**

We recommend you to file online but if you choose to apply via mail, you may download and print the following forms. Mail completed forms to the address listed on each form. Additional forms may be required by regulatory agencies and jurisdictions previously listed. Contact those agencies directly for the forms you may need.

Completed applications received by mail are processed within 20 business days.

<table>
<thead>
<tr>
<th>Name</th>
<th>Count</th>
<th>URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Addendum</td>
<td>1</td>
<td><a href="https://dor.wa.gov/sites/default/files/legacy/Docs/forms/BLS/700060.pdf">https://dor.wa.gov/sites/default/files/legacy/Docs/forms/BLS/700060.pdf</a></td>
</tr>
<tr>
<td>City Fee Sheet</td>
<td>1</td>
<td><a href="https://dor.wa.gov/sites/default/files/legacy/Docs/forms/BLS/700042.pdf">https://dor.wa.gov/sites/default/files/legacy/Docs/forms/BLS/700042.pdf</a></td>
</tr>
</tbody>
</table>

**About this Guide**

The information produced by this system is updated regularly and is provided only as a guide. These results include contact information and business licensing requirements based on the information that has been provided to Business Licensing Service. Legal requirements and regulations change, and neither the Department of Revenue, nor the State of Washington will be held responsible for any omissions or incorrect referrals.
Informational Web Page (Example 2)

Department of Revenue

You may be required to have a license, registration, or permit from the list below based on the business activity you selected from the Business Licensing Wizard. For more information, please contact the Department of Revenue at 360-705-6705.

- Business License Application
- Unified Business ID (UBI)
- Washington State Reseller Permit

Purpose
To allow businesses to make qualifying purchases for resale without paying sales tax.

How to submit
An electronic application can be filed in My DOR. Businesses can request a paper application be mailed to them by calling 306-705-6705.

The application is a brief questionnaire concerning the business activities. It can be filed electronically or a paper application can be faxed or mailed to the Department of Revenue.

Processing time
The Department has set a goal to process applications within 10 business days, however it may take up to 60 days to process an application.

Fees
None

License renewal
Yes. Permits are valid for two or four years, depending on how long the business has been open and whether it actively reports gross income. Permits for all contractors are valid for two years. Permits for all Indian businesses are valid for four years.

Additional resources
Reseller permits became effective January 1, 2010. Previously, self-issued resale certificates were used and no application was required. The Department automatically renews reseller permits for qualifying businesses 90 days before the permit expires. If the permit is not automatically renewed, the business receives a renewal notice. Approximately, 65% of permits are automatically renewed. See Reseller permits for more information.
RCW 19.02.055: Agency Reporting Requirements

(1)(a) Each agency required to fully participate in the implementation of this chapter under RCW 19.02.050 must provide the department with the name of the agency’s coordinator for the purposes of implementing the requirements of this section. Using a format designated by the department, each agency must provide the department with the following information:

(i) A listing of each business license issued by the agency;

(ii) A description of the persons and specific activities for which the license is required;

(iii) The time period for which the license is issued and any issuance, renewal, or reissuance requirements; and

(iv) Other information the department determines necessary to implement this section, including links to the licensing information, application, and instructions on the agency’s web site, if available.

(b) An agency that issues licenses in accordance with (i) national or federal mandates, requirements, or standards, or (ii) educational standards and an examination, may alternatively comply with this chapter by providing the department with a link to its licensing web site, summary information about the licensing requirements or standards in a format or formats designated by the department, and a designated agency contact.

(2) In addition to the requirements in subsection (1) of this section, each agency, by November 1st of each year, beginning November 1, 2013, must provide the department with certification on a form designated by the department that all business licensing information submitted by the agency is complete and up-to-date. If an agency has not submitted all the business licensing information required under this section, the agency must instead submit a progress report and explanation to the department.

(3) The department must compile the information submitted by each agency, and submit an aggregate report to the governor and the economic development committees of the legislature by January 1st of each year, beginning January 1, 2014.

[2013 c 111 § 2.]