

Aug. 30, 2019

Notice of Upcoming Stakeholders' Meeting

Members of the Association of Washington Cities Tax Administrations have formed a working group to create a model rule for the updates implemented by Substitute House Bill 1403. For tax periods after Jan. 1, 2020, SHB 1403 simplifies the administration of municipal business and occupation tax service apportionment by:

- Adopting a new market-based sourcing hierarchy for the income factor.
- Establishing a rule that excludes service receipts from the income factor denominator attributable to jurisdictions where the taxpayer would not be subject to tax.
- Establishing clear guidelines for the application of an alternative apportionment method.

Stakeholders are invited to attend two upcoming meetings to review and comment on a proposed model rule. By Sept 4, 2019, a draft of the proposed model rule will be at:

<https://www.wacities.org/news/2019/01/07/city-b-o-rates-and-licenses>.

The intent of the model rule is to establish consistency among cities and taxpayers in how the new apportionment law is applied. Dates and locations for stakeholders to provide feedback are as follows:

- Sept. 18, 2019 – Seattle Municipal Tower, 40th Floor, Room 4080, 10:30 a.m. – 12:30 p.m.
Join by phone: 206-386-1200
Conference ID: 1513239
- Oct. 9, 2019 – Tacoma Municipal Building, City Council Chambers, 10:30 a.m. – noon
Join by phone: 669-900-6833
Conference ID: 527441060

If you are unable to attend but would like to provide feedback, please provide your written feedback to brian.collins@seattle.gov or to:

City of Seattle
Attn: Brian Collins, License and Tax Administration
700 Fifth Ave, Suite 4250
P.O. Box 34214
Seattle, WA 98124-4214

Stakeholders include members of the work group, representatives from the Association of Washington Cities and the Association of Washington Business and other interested parties.

This stakeholders' meeting is outside the formal rule-making process and is an opportunity for those impacted by the rule to help in its development and provide comment. Formal rule hearings will be set by each respective city that formally adopts its own rule.