



# CITY OF PORT TOWNSEND

250 Madison Street, Suite 1  
Port Townsend, WA 98368 \* (360) 385-2700

<b>PAYMENT DUE:</b>
<b>YEAR END:</b>

## BUSINESS AND OCCUPATION ANNUAL TAX RETURN

PLEASE REVIEW ALL INFORMATION FOR ACCURACY AND CORRECT AS NECESSARY

### BUSINESS & OCCUPATION TAX NO.

<b>Business Name</b>	<b>Business Phone</b>
<b>Business Location</b>	<b>Business Fax</b>
	<b>Start Date</b>
<b>Mailing Address</b>	<b>SIC Code</b>
	<b>Federal ID No.</b>
<b>Email Address</b>	<b>State UBI No.</b>

**REMINDER: ANNUAL GROSS INCOME < \$100,000.00? NO TAX IS OWED AND YOU DO NOT NEED TO FILE.**

<b>Owner Name</b>	<b>Title</b>	<b>Phone</b>
<b>Address</b>		<b>Alt Phone</b>

### EMERGENCY CONTACT

<b>Name</b>	<b>Title</b>	<b>Phone</b>
<b>Address</b>		

PLEASE CALCULATE TOTAL TAX DUE BY ENTERING INFORMATION IN BOXES BELOW (Instructions on Reverse Side)

BUSINESS CLASSIFICATION <small>Column 1</small>	GROSS INCOME <small>Column 2</small>	DEDUCTIONS		TAXABLE AMOUNT <small>Col. 2 - Col. 4 Column 5</small>	TAX RATE <small>Column 6</small>	TAX AMOUNT <small>Col. 5 x Col. 6 Column 7</small>
		DESCRIPTION <small>Column 3</small>	AMOUNT <small>Column 4</small>			
CONSTRUCTION					0.002	
RETAIL					0.002	
WHOLESALE					0.002	
PRINTING & PUBLISHING					0.002	
SERVICE & OTHER ACTIVITIES					0.002	
MISCELLANEOUS					0.002	
<div style="background-color: yellow; padding: 5px;">           Has your business closed? Are you no longer doing work in the City of Port Townsend? If yes, please enter the close of business date here and return form to address above.   <b>NO LONGER ACTIVE IN CITY OF PORT TOWNSEND AS OF:</b> </div>				<b>Line A. TAX AMOUNT:</b> <small>(Total of Column 7)</small>		
				<b>Line B. PENALTY:</b> <small>(Instructions on Reverse)</small>		
				<b>TOTAL DUE:</b> <small>(Add Lines A &amp; B)</small>		

I hereby certify that the information contained in this return is true and complete to the best of my knowledge.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

MAIL COMPLETED TAX RETURN TO ADDRESS ABOVE WITH CHECK MADE PAYABLE TO THE CITY OF PORT TOWNSEND  
WE NOW OFFER AN ONLINE FILING & PAYMENT WITH DEBIT/CREDIT (FOR A FEE) – SEE REVERSE FOR DETAILS.



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## BUSINESS & OCCUPATION TAX INSTRUCTIONS

Every person, firm or other organization doing business in the City of Port Townsend is subject to the licensing and taxation requirements set forth in Port Townsend Municipal Code, Sections 5.04A, 5.04B and 5.08. We encourage you to review these sections to familiarize yourself with the City requirements. Every business whose annual gross receipts are equal to or exceed \$100,000, is required to file a Business and Occupation (B&O) tax return on or before the last day of the month following the end of the reporting period. Late returns may be subject to a penalty.

### STEP 1: BUSINESS CLASSIFICATION (Column 1)

- Construction:** Constructing, installing, repairing, altering, wrecking, demolishing any building or roadway; improvements to real property or other structures. A contractor is considered “doing business” in Port Townsend anytime that their equipment or materials are placed at a work-site within the City limits.
- Retail:** Sale of tangible personal property and/or charges made for labor and services with respect to installing, repairing, etc. of tangible personal property.
- Wholesale:** Sale of tangible personal property when it is not at retail.
- Printing & Publishing:** Printing and publication of newspapers, periodicals or magazines.
- Service & Other Activities:** Rendering any service which does not constitute a sale “at retail” or “at wholesale”.
- Miscellaneous:** Business transactions which are not described by any other classification listed herein.

### STEP 2: CALCULATING THE TAX DUE (Columns 2 – 7 & “Total Due”)

Column 2: For each business classification (above) that is applicable to your business, enter any GROSS revenue made within Port Townsend City Limits.

Column 3: Deduction Description – Enter the Deduction Code # (See 1 – 16 Below) of any deductions or exemptions claimed.

Enter the deduction Code # (from below) of any deductions or exemptions claimed (Refer to PTM for further detail)

- 1 Revenue resulting from a person’s performance as an employee, as opposed to an independent contractor
- 2 Revenue from insurance sales, upon which a tax based on gross premiums, is paid to the State of Washington
- 3 Sale by a farmer or gardener of their own produce
- 4 State-licensed athletic exhibitions or race meets
- 5 Certain gross receipts of fraternal benefit societies
- 6 Hospitals owned by a government body or religious corporation
- 7 Revenue from the sale, lease or long-term (more than 30 days) rental of real estate (does not include commissions)
- 8 Certain amounts resulting from the banking, trust or savings and loan business
- 9 Sales, distribution or manufacturing of motor vehicle fuel
- 10 Liquor sales and distribution (includes beer and wine)
- 11 Investment revenue for non-financial businesses
- 12 Bona fide initiation or membership fees, tuition, donations and contributions to endowment funds & non-profit fundraising income
- 13 Trade or cash discounts taken by customers
- 14 Bad debts incurred by accrual basis taxpayers
- 15 Amounts collected by taxpayers as excise taxes
- 16 Business transactions which federal and/or state laws and constitutions prohibit the City from taxing (must provide documentation of proof)

Column 4: Deduction Amount – Enter dollar amount of deductions or exemptions, if any.

Column 5: Taxable Revenue Amount – Subtract Column 4 from Column 2 and enter the resulting taxable revenue for each business classification.

Column 6: Tax Rate – Current Tax Rate for all business classifications within the City of Port Townsend.

Column 7: B&O Tax Amount – Multiply Column 5 x Column 6 and enter the resulting tax due in Column 7 for each business classification.

- Line A: Tax Amount – Add all the amounts in Column 7 and enter the result in Line A.
- Line B: Penalty – Add any penalties due if tax is due and the return is mailed or postmarked AFTER the due date.
  - 1 Month            The Greater of \$5.00 or 9.00% of the Tax Due
  - Up to 2 Months    The Greater of \$5.00 or 19.00% of the Tax Due
  - 2 Months or More    The Greater of \$5.00 or 29.00% of the Tax Due

TOTAL DUE: Add the subtotal of Column 7 to any penalties and/or prior period account balances.

### PAYMENT OPTIONS:

- Cash:** Cash payments are accepted at City Hall (250 Madison St, Port Townsend, WA 98368)
- Check / Money Order / Cashier’s Check:** (made payable to City of Port Townsend) mailed or hand-delivered City Hall

**NEW! We are now accepting online returns with online payment options!**  
Submit Online: [Business & Occupation Taxes | City of Port Townsend Washington](#)

Once you have submitted your return, print or save a copy for yourself and continue on to the payment platform.  
**Please note: There is a per-transaction fee for any electronic payment made through this portal.**

### IMPORTANT REMINDERS:

**Have you updated your point-of-sale and bookkeeping systems to reflect the new City sales tax rate of 9.4%?**

The Transportation Benefit District (TBD) sales tax increase went into effect April 1, 2024, to generate revenue for local transportation improvements.

**Is Your Annual Gross Income under \$100,000.00 (for work performed or sales made within City of Port Townsend City limits)? Great News!**

No Tax is due and you do not need to file a B&O Tax Return! Simply maintain an active City of Port Townsend Endorsement with the WA State Dept of Revenue!