



**CITY OF DES MOINES**  
 21630 11<sup>th</sup> Ave. S., Suite A  
 Des Moines, WA 98198  
 B&O Questions: 206-870-6510

# ANNUAL BUSINESS AND OCCUPATION TAX RETURN

License No.	State UBI No.

<b>Tax Period</b>	
<b>Date Due</b>	

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

	Column A Business Classification	Column B Gross Amount	Column C Deductions - Schedule A	Column D Taxable Amount	Col E Rate	Column F Tax Due
1	Extracting				.002	
2	Manufacturing				.002	
3	Wholesaling				.002	
4	Retailing				.002	
5	Printing/Publishing				.002	
6	Other				.002	
7	<b>If there has been change of ownership or business closure, please provide the following information:</b>  8 Date Closed _____  9 New Owner _____  10 Address _____  11 _____			<b>Tax Due This Period</b> <small>Less than \$100 per year enter \$0</small>		
				<b>Penalties</b>		
				<b>Credits*</b>		
				<b>Previous Balance</b>		\$0.00
				<b>Total Amount Due</b>		

\* Please attach an explanation of any credits claimed.

**Make check payable to the City of Des Moines**

Schedule A -- Detail of Deductions in Column C							
	Type of Deduction	Extracting	Manufacturing	Wholesaling	Retailing	Printing/Publish	Other
1	Interstate						
2	Cash/trade Discounts						
3	Credit Losses						
4	Other <small>(attach explanation)</small>						
5	Total Deductions						

The undersigned taxpayer declares that he/she has examined this return including any accompanying schedules and statements and to the best of his/her knowledge and believe is a true, correct and complete return.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Firm Name \_\_\_\_\_ By \_\_\_\_\_

Officer or Title \_\_\_\_\_ Phone No. \_\_\_\_\_

**NOTE: TAX RETURN IS NOT CONSIDERED FILED UNTIL PAYMENT IS RECEIVED.**

## TAXPAYER INSTRUCTIONS

(These instructions are based on Ordinance 1416 & 1417, superseded by Ordinance 1555, which can be found on the City website at [www.desmoineswa.gov](http://www.desmoineswa.gov). The Ordinance is the final authority on tax questions. Please contact the City B&O tax administrator at 206-870-6510 for further assistance.)

**WHO NEEDS TO FILE.** Every person engaging in business activities within the City of Des Moines whether or not his or her place of business is within or without the City is subject to the City B&O tax. Engaging in business means conducting any activities with the object of gain, benefit or advantage to the person either directly or indirectly. Such activities include but are not limited to maintaining an office or inventory within the city, having employees make sales calls or perform services within the city and making a retail or wholesale sale within the city.

**MINIMUM TAX DUE.** If the gross receipts for your business entity at all locations inside the City is equal to or less than **\$50,000 annually**, then no tax is due **but a return still must be filed.**

**REPORTING GROSS INCOME.** Income generated by the following activities is exempt and should not be reported:

1. Non-profit organizations exempt under Section 501c3 except with respect to retail sales of such organizations.
2. Premiums or prepayments to health care contractors or HMOs which are taxable under RCW 48.14.0201
3. Utility companies subject to the City utility tax as described in Ordinance 1144.
4. Most dividend income except for persons engaged in banking, loan, security or other financial businesses.
5. International banking.
6. Premium income to insurance companies which is taxable under RCW 48.14.020. However, insurance brokers, solicitors or bonding companies are not exempt.
7. Farmers which sell agricultural products including poultry and meat which they grow or produce.
8. Athletic exhibitions, horse racing, ride sharing, wage income, real estate sale proceeds, trust account fees, proceeds from the sale of motor vehicle fuel, amounts received from the sale of **liquor** or amounts received from casual or isolated sales.

**All other income should be reported in Column B in the following categories:**

1. Extracting -- the value of products and by-products extracted within the City without regard to place of sale or deliveries made outside the City.
2. Manufacturing -- the value of products and by-products manufactured within the City without regard to place of sale or deliveries made outside the City.
3. Wholesaling -- the gross proceeds of sale takes place where delivery to buyer occurs.
4. Retailing -- the gross proceeds of sale takes place where delivery to buyer occurs.
5. Printing & Publishing -- newspapers, periodicals or magazines gross receipts shall be allocated to where taxpayer's business is directed or managed. RCW 32.102.150
6. Any other activity -- gross income of the business if service is provided only at Des Moines physical location. Otherwise, please use included worksheets for allocation and apportionment of income or go to the City's website for additional information.

**DEDUCTIONS.** The following may be deducted from gross income. They should be itemized in Schedule A and entered on the appropriate line in Column C.

1. Interest on mortgage loans for companies engaged in banking, loan or other financial businesses.
2. Interest on obligations of the state or its political subdivisions.
3. Interest on loans to farmers, ranchers, etc.
4. Receipts from interstate sales.
5. Cash discounts taken by the purchaser.
6. Credit losses of accrual basis taxpayers.
7. Certain condominium fees. See ordinance for details.
8. Sales at retail or wholesale of precious metal bullion and monetized bullion.
9. Rental of real estate used for state-licensed boarding homes. See ordinance for details.
10. Radio and television advertising agency fees. See ordinance for details.
11. Amounts subject to an eligible gross receipts tax in another city.

**CALCULATING CURRENT TAX DUE.** Subtract Column C from Column B and enter the amount in Column D. Multiply the amount in Column D by the tax rate in Column E and enter the result in Column F. Total the Column F amounts on lines 1 through 6. If the total is equal to or greater than \$100 annually, enter it on Line 7. Otherwise, enter zero on Line 7. In either case, be sure to complete lines 8 through 11.

**PENALTIES.** If this return will not be postmarked by the due date, then the following penalties must be included in your payment, even if no tax is otherwise due. Enter any penalty in Column F, line 8. Calculate any penalty due using the following table. If your return is filed after the due date but before:

The last day of month following due date -- greater of 9% of tax due or \$5

The last day of second month following due date -- greater of 19% of tax due or \$5

The last day of third month following due date -- greater of 29% of tax due or \$5

**MULTIPLE ACTIVITIES TAX CREDIT.** Persons who sell products in the City which they also extract or manufacture, persons who manufacture products which they also extract, or persons who sell at retail or wholesale products which they also print are eligible to credit against tax they would otherwise owe amounts which have been paid with respect to those products to one or more cities with eligible gross receipts tax. If you are eligible for a multiple activities credit, enter the amount on line 9 and attach an explanation to this return. See the Ordinance for further information.

**PREVIOUS BALANCE.** If your previous return was not received by the due date, or taxes were not paid in full or a credit balance exists on your account, an amount will appear in Column F, line 10. This amount should either be paid in full or deducted from the amount owed on this tax return.

**TOTAL AMOUNT DUE.** Add Column F, lines 7 through 10 and enter in Column F, line 11 as the total amount due. Make checks payable to the City of Des Moines and mail with this return to City of Des Moines, 21630 11<sup>th</sup> Ave. S., Suite A, Des Moines, WA 98198-6398. **DO NOT SEND CURRENCY.**