

CITY OF SEATTLE - PAYROLL EXPENSE TAX RETURN
To file this form electronically please go to: www.FileLocal-wa.gov

Business Legal Name _____

Filing Period (Quarter/Year) _____

Customer Number or UBI-16 _____

Method of Filing (Select One - Required)

Primarily Assigned Method

Hours Method

If no selection is made, the default is the Primarily Assigned Method

The tax rates are based on the amount of the business' annual Seattle-based payroll expense in the current calendar year and the amount of annual employee compensation of at least \$150,000. There are three (3) categories to select from based on the business' total annual payroll expense. **Please only complete the applicable section.**

Category 1: Current Year Annual Seattle Payroll Expense Less Than \$100 Million

Column A Annual Employee Compensation	Column B Payroll Expense Total	Column C Deduction	Column D Taxable Amount	Column E Tax Rate	Column F Tax Due
\$150,000 - \$399,999.99				x 0.007	
\$400,000 or more				x 0.017	

Category 2: Current Year Annual Seattle Payroll Expense \$100 Million Or More But Less Than \$1 Billion

Column A Annual Employee Compensation	Column B Payroll Expense Total	Column C Deduction	Column D Taxable Amount	Column E Tax Rate	Column F Tax Due
\$150,000 - \$399,999.99				x 0.007	
\$400,000 or more				x 0.019	

Category 3: Current Year Annual Seattle Payroll Expense \$1 Billion Or More

Column A Annual Employee Compensation	Column B Payroll Expense Total	Column C Deduction	Column D Taxable Amount	Column E Tax Rate	Column F Tax Due
\$150,000 - \$399,999.99				x 0.014	
\$400,000 or more				x 0.024	

Deduction: Taxpayers that are non-profit healthcare entities may deduct from the measure of the tax the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99. See SMC 5.38.020 for definition of "non-profit healthcare entity".

Total Tax Due:		\$.
Penalty Due: Returns must be filed and taxes paid by the due date or penalties shall apply. See back of form for rates.		\$.
Interest Due: Returns filed after the due date will accrue interest. Contact our office for information about rates.		\$.
Total to be Paid:		\$.

Mail the **original** copy with your payment to:
City of Seattle-LTA
PO BOX 34907
Seattle, WA 98124-1907

Phone: (206) 684-8484 | Fax: (206) 684-5170
E-mail: tax@seattle.gov
Web Site: www.seattle.gov/license-and-tax-administration
Online Reporting: www.filelocal-wa.gov

Changes to your business information should be requested by calling (206) 684-8484 or by emailing tax@seattle.gov

How to Prepare your Payroll Expense Tax Return

Column A: Taxable Annual Employee Compensation*

Column B: Enter your total payroll expense for Seattle for this tax period.

Column C: If eligible, deduct the total payroll expense for employees with annual compensation of \$150,000 to \$399,999.99.**

Column D: Subtract the amount in column C from the amount in column B and enter the result in column D

Column F: Multiply the amount in column D by the tax rate shown in Column E and enter the result in Column F.

Totals: Drop down result from Column F to Total Tax Due. If filing after the due date add applicable penalty/interest and add to Total to be Paid.

*The payroll expense tax is on payroll expense attributable to employees whose annual compensation is \$150,000 or more in the current calendar year. This threshold amount will change with inflation based on the CPI-U Index each year.

**The non-profit healthcare entities deduction is only allowable from Jan.1, 2021 through Dec.31, 2023. Rates do not change with inflation.

Online Reporting

This form can be filed online at www.filelocal-wa.gov. There is a fee to file electronically.

Report by Mail

Make check payable to **City of Seattle**. Payments must be sent with the tax return when tax is due. Forms received without payment will not be considered "received" if taxes are owed. Late penalties and interest shall apply if either the form or check are postmarked after the due date.

Late Penalties

A form with any tax due must be received by the due date to avoid late penalty. If received after the due date penalty shall apply as follows:

Nine percent (9%) of the tax due if postmarked after the due date; or

Nineteen percent (19%) of the tax due if postmarked after the last day of the month following the due date; or

Twenty-nine percent (29%) of the tax due if postmarked after the last day of the second month following the due date.

If there is no tax due, no late fee will be charged. When tax is due, the minimum penalty will be \$5.00. Interest will be calculated from the date tax is due until the date paid. If the total due is not paid in full, the City will send a notice of underpayment for the additional balance owed.

Questions?

If you have any questions, please email tax@seattle.gov or contact us by phone at 206-684-8484. Please have your customer number ready when you call, or include it in your email to us. We can assist with your questions or form preparations M-F, 8 a.m. to 5 p.m. For more information about this tax, visit: www.seattle.gov/license-and-tax-administration

If this business is no longer operating because it was closed, if it was sold, its legal entity changed, or it discontinued this activity, please provide this info:

Reason: _____

Effective Date: _____

New Owner (if applicable): _____

New Owner address: _____

Per SMC 5.55.040B - A signature is required on this return. The undersigned swears or affirms that all information in this return is true and complete.

Signature: _____

Printed Name: _____

Contact Phone: _____

Date signed: _____