



**Payroll Expense Tax**  
**Stakeholder Meeting Notification**

Beginning January 1, 2021, the City of Seattle will impose a payroll expense tax on each business within Seattle with \$7 million or more in Seattle-based payroll in the previous year.

Important information regarding the payroll expense tax:

- The tax is imposed on businesses with \$7 million or higher in Seattle payroll in the previous year.
- The tax is imposed on the business, not the employee.
- The tax rates are based on the current year's employee compensation.
- The tax is imposed in addition to any license fee or tax imposed by the City, the State, or other governmental entity.

Stakeholders are invited to attend an upcoming virtual meeting about the development of a Director's Rule that will educate business taxpayers about how to comply with Seattle's new payroll expense. A formal rule hearing will be set in the future to adopt a final rule for Seattle's payroll expense tax.

**Seattle Payroll Expense Tax Stakeholders Meeting**

Sep. 16, 2020, 10:00a.m. - Noon

Event address for attendees:

<https://seattle.webex.com/seattle/onstage/g.php?MTID=eeb79e9e69fd237f1dc2a8e89c5bf0b6d>

Join by phone: 206-207-1700, Conference ID: 1461753459

If you would like to attend, please RSVP, or if you are unable to attend but would like to provide comments, please provide your written comments to [brian.collins@seattle.gov](mailto:brian.collins@seattle.gov) or to:

**City of Seattle, License and Tax Administration**

Attn: Brian Collins

P.O. Box 34214

Seattle, WA 98124-4214

There are some types of businesses that are exempt from the payroll tax, grocery businesses, in addition to those with lower than \$7 million in Seattle-based payroll in the previous calendar year.

For additional information on Seattle's payroll expense tax please see Ordinance Number 126108 at: <http://clerk.ci.seattle.wa.us/>.

If you have questions, email [tax@seattle.gov](mailto:tax@seattle.gov) or call our general information line at 206-684-8484.