



## Seattle Tax Advisory Group

**Date:** Tuesday, June 4<sup>th</sup>, 2019 10:00 am

**Location:** Seattle Municipal Tower (700 Fifth Avenue)  
40th Floor—Conference Room 4096

### **Attendees:**

Mark Watterson, Tax Audit Manager, City of Seattle  
Joseph Cunha, City Tax Administrator, City of Seattle  
Kevin Fitzpatrick, FileLocal Program Manager, City of Seattle  
Brian Collins, Tax Policy Analyst, City of Seattle

MaryAnne Olmstead, Director of Finance and Accounting, Virginia Mason  
Brian Aragon, Indirect Tax Compliance, Amazon  
Sonjia Barker, Manager, Peterson Sullivan LLP  
Dan Robillard, Expedia  
Ingrid Sudyam, Manager Indirect Taxes, Starbucks

### **Minutes:**

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**FileLocal Update.** An update on FileLocal progress was given. Increase in businesses signing up through FileLocal. FileLocal is now the only way for new businesses to apply for a new business license on-line—this feature is no longer available through SELF. FileLocal has three new Cities utilizing FileLocal in 2019—Shoreline, Renton, and Bremerton. There are still five other cities are looking into joining FileLocal and more information will be provided for who is joining as soon as those Cities make their final decisions.

**Service Apportionment (HB 1403) Update.** Cities are meeting this month to discuss the process for updating the Model Ordinance. The process will be led by AWC and will be making efforts to reach out to stakeholders, likely through the AWB. HB 1403 introduced new sourcing methods for the income factor, included a throw-out provision, and clarified the alternative apportionment method request language mostly by modeling the language from the Multistate Tax Commission’s model apportionment and allocations regulations. There may also be an opportunity to adopt a model apportionment rule within the AWC that cities can utilize. This process would take place over the summer.

**HB 1059 – Annual Due Dates.** With the passage of HB 1059, Cities will be required to provide for their annual returns to be due on April 15 beginning with the 2020 annual returns that will be due April 15, 2021. The City will make updates to its systems to accommodate the new mandatory annual due dates. The Cities will also discuss updating the model ordinance to reflect language to allow cities to provide for a “non-reporting” status if they choose. This will be part of the process and discussions with AWB and stakeholders in updating the Model Ordinance.

**Income Tax Update.** The Washington State Court of Appeals will hear the income tax case on Thursday, June 6<sup>th</sup> at about 11 a.m. It is expected that either party will appeal the case to the State Supreme court once a decision is made.