

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 \$158,282. 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 \$105,521,339

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
\$158,282 - Less than \$422,085				x 0.007	
\$422,085 or more				x 0.017	

Category 2: Current Year Annual Seattle Payroll Expense is \$105,521,339 Or More, But Less Than \$1,055,213,392

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
\$158,282 - Less than \$422,085				x 0.007	
\$422,085 or more				x 0.019	

Category 3: Current Year Annual Seattle Payroll Expense \$1,055,213,392 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
\$158,282 - Less than \$422,085				x 0.014	
\$422,085 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 (does not change with inflation). 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 34214
Seattle, WA 98124-4214

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 \$158,282 or more in the current calendar year.
This threshold amount may 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.

***The Deduction threshold of \$150,000-\$399,999.99 **does not** increase with inflation based on the CPI-U each year

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.

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.

For more information about this tax, visit: www.seattle.gov/license-and-tax-administration/business-license-tax/other-seattle-taxes/payroll-expense-tax

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: _____ Date: _____
Printed Name: _____
Contact Phone: _____
Email : _____