



new!

**WASHINGTON STATE
SALES TAX
FOR SMALL
BUSINESSES**

TaxUSign****

MEET THE PRESENTER

LILY TRAN

**Enrolled Agent, Certified Tax Coach & Planner, NTPI Fellow
and Founder of TaxUSign**

- Advanced training in proactive tax planning, Specialize in finding deductions, credits, loopholes and strategies. Specialize in audits, collections, and appeals.
- Over 15 years of education and work experience in accounting and taxes.
- Help small businesses get on the right track, minimize their taxes and solve their tax problems.



OBJECTIVES

- Find out which services are newly taxable.
- Learn how to stay in compliant.
- Know what to expect from a state audit.



Beginning October 1, 2025, certain businesses are required to begin collecting sales tax that previously were exempt (ESSB 5814).

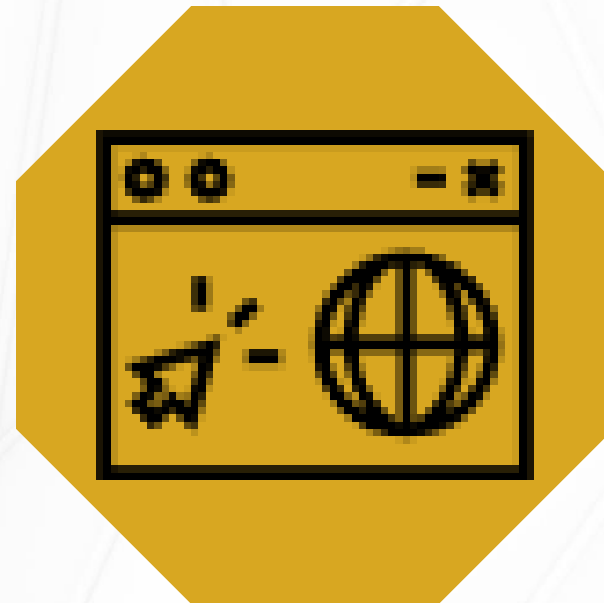
Sellers

Buyers

WHO WILL THIS IMPACT?



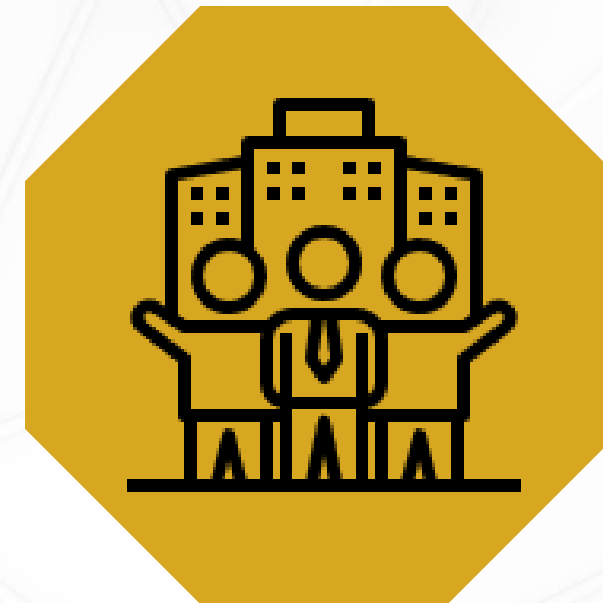
**LIVE PRESENTATIONS
&
ADVERTISING SERVICES**



**INFO/TECH SERVICES
&
CUSTOM WEBSITE DESIGN**



**INVESTIGATION
SECURITY
& ARMORED CAR
SERVICES**



**TEMPORARY
STAFF SERVICES**



**SALES OF CUSTOM
SOFTWARE
&
CUSTOMIZATION OF PREWRITTEN
SOFTWARE**



LIVE PRESENTATIONS

**including in-person or online classes, workshops, or seminars delivered in real time.*

Are you?

- Informing, persuading, or educating on a certain subject.
- Conducting a seminar, lecture, workshop, course, or similar event.
- Interacting or participating with an audience in real time (Although *not* required).
- Allowing for more than one attendee.*



LIVE PRESENTATIONS

**including in-person or online classes, workshops, or seminars delivered in real time.*

EXAMPLES

- Driving education courses or lessons.
- Continuing professional education, such as: medical, trades, education, etc.
- Courses, classes, seminars, workshops, or other programs for personal or professional enrichment, such as: art, music, pottery, business, marketing, cooking, CPR classes, and more.
- In-person and online instructional classes, lessons, workshops, seminars, or other programs that are provided in real time.



ADVERTISING SERVICES

**All digital & nondigital services related to the creation, preparation, or distribution of advertisements.*

Are you?

- Creating, preparing, producing, or disseminating advertisements.
- Acquiring advertising space in the internet media.
- Monitoring & evaluating website traffic for the purpose of determining the effectiveness of an advertising campaign.
- Utilizing search engine marketing and/or online referrals.
- Planning a web campaign.



ADVERTISING SERVICES

**All digital & nondigital services related to the creation, preparation, or distribution of advertisements.*

EXAMPLES

- Ad design & Ad placement
- Campaign planning
- Lead generation
- Acquisition of advertising space on the internet



INFORMATION & TECHNOLOGY SERVICES

Are you?

- Providing network diagnostic, analysis, advisory support, quality assurance testing, localization services, network info logistics, and/or maintenance support services on new or existing network infrastructure.
- Providing onboarding & offboarding services.
- Managing IT services such as infrastructure network configuration, analysis, & implementation.
- Troubleshooting hardware & software issues & providing solutions.
- Offering consulting & support services in connection with digital products, including digital automated services.



INFORMATION & TECHNOLOGY SERVICES

EXAMPLES

- Help desk services
- Network operations & support services
- Hardware or software training
- IT consulting
- Data processing services
- Data entry services



CUSTOM WEBSITE DEVELOPMENT SERVICES

ARE YOU?

- Providing website consulting & training.
- Assisting with website design, such as planning efforts, analysis, engineering, programming, testing, and deployment.
- Offering development services (frontend, backend, or full-stack).
- Supporting the functionality or operation of a website.



CUSTOM WEBSITE DEVELOPMENT SERVICES

EXAMPLES

- Website design services
- Website development services
- Website support services



INVESTIGATION, SECURITY, & ARMORED CAR SERVICES

Are you?

- Offering services that rely on interviews, surveillance, & behavioral analysis.
- Providing security for a private or public event.
- Using an armored car to transport cash and/or valuables.



INVESTIGATION, SECURITY, & ARMORED CAR SERVICES

EXAMPLES

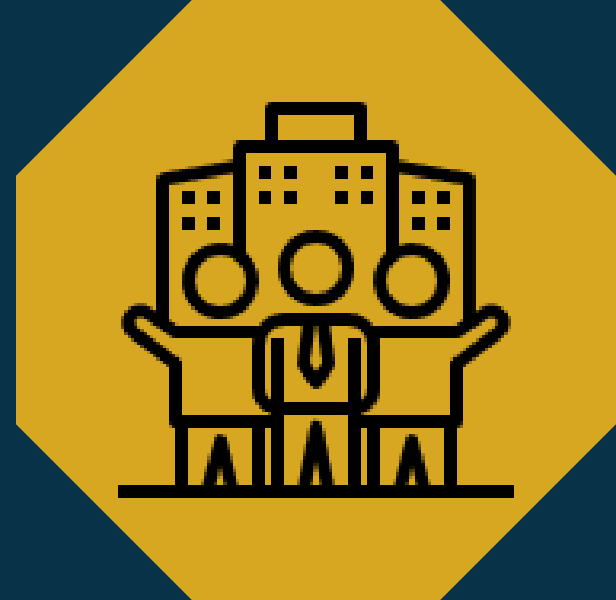
- Private detective services
- Background check services
- Bounty hunting services
- Lie detection and polygraph services
- Missing person tracking services
- Security guard and patrol services
- Personal and event security
- Armored car transportation of cash & valuables
- Security system services, monitoring, including electronically transferred systems



TEMPORARY STAFFING SERVICES

Are you?

- Supplying workers to businesses under contract or on a short-term assignment.
*(*Does NOT include hospitals)*



TEMPORARY STAFFING SERVICES

MUST MEET ALL FACTORS TO BE TAXABLE:

- The taxpayer recruits & hires their own employees.
- The taxpayer finds other organizations that need the services of those employees.
- The taxpayer assigns those employees on a temporary basis to perform work at or services for the other organizations to support or supplement the other organizations' workforces, or to provide assistance in special work situations such as, but not limited to, employee absences, skill shortages, seasonal workloads, or to perform special assignments or projects, all under the direction & supervision of the customer.
- The taxpayer customarily attempts to reassign the employees to other organizations when the finish each assignment.



SALES OF CUSTOM SOFTWARE & CUSTOMIZATION OF PREWRITTEN SOFTWARE

Are you?

- Creating software for a single person.
- Altering, modifying, or developing applications using or incorporating prewritten computer software for a specific person.



SALES OF CUSTOM SOFTWARE & CUSTOMIZATION OF PREWRITTEN SOFTWARE

EXAMPLES

- Access to & use of custom software.
- Customization of prewritten software.

EXISTING CONTRACTS

- Must be signed & executed before October 01, 2025.
- Must include services that continue after that date.
- Must cover services that will now be taxable under ESSB 5814

IMPORTANT

**Existing contracts that are altered after October 01, 2025,
are subject to retailing B&O and retail sales tax at the
time the contract is altered.*

DETERMINE THE CORRECT TAX RATE

- Destination Based: Tax is based on the *location where the services are received* by purchaser.
- *If location is unknown*, use the location of the purchaser's address available in your business records.
- Those providing services should document in their contracts, invoices, or service agreements where they will be sourcing the services.
- Retail sales must be sourced in accordance with RCW 82.32.730 for sales & use tax & retailing B&O tax purposes.

A group of people are working together at a wooden table. On the table are several devices: a laptop displaying a 'Discussion Outline', a tablet showing '\$600.58', and a smartphone. There are also coffee cups and some papers. The scene is overlaid with a large blue and yellow geometric graphic.

HOW TO STAY COMPLIANT

- Bookkeeping: Keep accurate & organized records.
- Ensure your POS collects WA sales tax correctly.
- Store valid WA reseller permits.
- File & remit on time via MyDOR portal.



Preparing for An Audit

- Keep invoices, receipts, statements, tax returns, etc
- Keep records for 5 years.
- Sales tax separately stated.
- Report gross not net income.

NEED ADDITIONAL HELP UNDERSTANDING REQUIREMENTS?

Visit: dor.wa.gov/5814 to find:

- Live and recorded webinars.
- Guidance organized by service category.
- Tools for collecting & reporting sales tax.
- Request Binding Ruling





Thank you!



Anytime, Anywhere



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TAXUSIGN.COM



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