

## **Washington State Tax Amnesty Program Runs Through April 30, 2011**

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Washington state is currently conducting its first-ever tax amnesty program. Eligible taxpayers who apply for amnesty by April 18, 2011, and pay eligible past due taxes by April 30, 2011, will have interest and penalties waived on taxes paid under the amnesty program.

### **Who is eligible for the amnesty program?**

The program applies to nearly all registered and unregistered businesses, as well as individuals who have eligible unpaid taxes that were due before February 1, 2011. *Unlike many amnesty programs, even taxpayers who have received assessments and/or are appealing their taxes are eligible to participate in the Washington state amnesty program.*

Taxpayers are excluded from the amnesty program if: (1) they have ever been assessed a penalty for evasion or for misusing a retail permit or reseller certificate; (2) they have been criminally prosecuted for failure to collect or pay the proper amount of a tax administered by the Washington Department of Revenue; or (3) they are in bankruptcy and payment of tax required by the program would violate the Federal Bankruptcy Code.

### **What taxes are eligible for amnesty?**

The following taxes are eligible for amnesty for amounts that were due before February 1, 2011:

- State business and occupation (“B&O”) tax;
- State public utility tax; and
- State and local sales and use taxes, including general retail sales and use taxes, rental car taxes, King County food and beverage taxes, additional sales and use tax on motor vehicle sales/leases, lodging taxes (but excluding tours and promotion area lodging charges) and brokered natural gas use tax.

### **What are the amnesty program requirements?**

Participation in the amnesty program requires:

- By April 18, 2011, a taxpayer requesting amnesty must file an application for the amnesty program, as well as all outstanding or amended tax returns for eligible taxes;
- By April 30, 2011, the participating taxpayer must pay all tax liabilities other than penalty and interest eligible for waiver; and

- Waive any rights to a refund or to challenge the amount of taxes paid under the amnesty program. Note, however, that participation in the program does not prohibit the Department from auditing periods involved in the program and assessing additional taxes, interests and penalties applicable to such period.

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