



WASHINGTON STATE TAX STRUCTURE



TAX STRUCTURE

- No corporate income tax
- No personal income tax
- No unitary tax (VAT)
- No inventory tax
- No tax on interest, dividends or capital gains
- No sales and use tax on manufacturing equipment



RETAIL SALES & USE TAX 2022

State of Washington	6.5%
Snohomish County	2.7%
City of Arlington	0.092%
City of Marysville	0.1%
TOTAL	9.4%

Sales and Use Tax is Washington's principal revenue source. Businesses making retail sales collect Sales Tax from their customers. Retail sales include sale of tangible personal property as well as services including construction, installation and repair. Major exemptions include purchases for resale, interstate and foreign sales, and manufacturing/processing equipment. Use Tax is applied on taxable items purchased in another state and brought to Washington if that state did not collect Sales Tax; Use Tax rates are the same as Sales Tax.

More information: [Department of Revenue](#).



BUSINESS & OCCUPATION TAX (B&O)

In place of a corporate income tax, Washington levies a B&O tax on the gross receipts of business activity occurring in the State. The primary rate classifications are:

CLASSIFICATION	RATE
Manufacturing (general)	0.484%
Manufacturing (aerospace – incl. parts, assemblies, and tooling)	0.2904%
Wholesaling	0.484%
Retailing	0.471%
Aerospace Product Development	0.9%
Services	1.5%

Complete information on the B&O tax and additional rate categories can be found through the [Department of Revenue](#).



PROPERTY TAX

Typical 2022 property tax rate for Arlington is \$.75 per \$1,000 of assessed value. Typical 2021 property tax rate for Marysville is \$1.58 per \$1,000 of assessed value. Rate may vary depending on property location within the city. Property taxes are assessed and collected by Snohomish County, then distributed to help fund the county, school/hospital/library districts, cities and the state.

More information: [Snohomish County Assessor](#).