



CITY OF
BAINBRIDGE ISLAND

2017 Business & Occupation Tax Report

Tax Return for All Businesses Except Commercial Parking Lots

Due Date	Reporting Period
February 28, 2018	January 01 – December 31, 2017

Business Name:	Business License ID #:	WA State UBI #:
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FILING FOR EXEMPTION: You are exempt from completing this report if your business in the State of Washington had total gross receipts of less than \$100,000. To apply for the exemption, complete and sign the "Qualification for Exemption from Filing a 2017 B&O Tax Report" on your City Business License Renewal Form.

Section 1: GROSS RECEIPTS (ANNUAL)	
Line #	
1	Enter your WA State Gross Receipts.
2	Enter your WA State allowable deductions.
3	Subtract Line 2 from Line 1. This is your Total Revenue Taxable by the State. ▶
4	Of your Total Revenue Taxable by the State (Line 3), enter your Total Gross Receipts made on Bainbridge Island. This is your Total Gross Revenue Taxable by the City. ▶

Section 2: CITY EXEMPTIONS		
	Exemption Classifications (See back for exemption definitions.)	Exemption Amount
5	Commercial Parking Lot.	
6	Liquor Sales/Motor Vehicle Fuel Sales.	
7	Temporary Stationary Business.	
8	Other Exempt Activity. List the exempted activity: _____	
9	Out-of-State Sales.	
10	Eligible Gross Receipts Tax on the Same Activity Paid to Other City/Cities. List the city/cities to which taxes paid: _____	
11	Taxable Receipts from Multiple Activities Tax Credit.	
12	Add lines 5 through 11. This amount is your Total City Exemption. ▶	
13	Subtract Line 12 from Line 4. This is your Total Adjusted Gross City Revenue. ▶	

Section 3: STANDARD CITY DEDUCTION		
14	Enter your Total Adjusted Gross City Revenue (Line 13).	
15	Subtract the standard City deduction.	\$150,000.00
16	This is your Total Revenue Taxable by the City. ▶	

Section 4: TAX, PENALTIES, and PAYMENTS		
17	Enter your Total Taxable Revenue by the City (Line 16).	
18	Multiply Line 17 by 0.001 (or 1/10 of 1% of taxable revenue). This is your Total City Tax Due. ▶	
19	Add tax penalties. (See back for tax penalties. Minimum penalty = \$5. There is no penalty if no tax due.) ▶	
20	Add Line 18 and 19. This is your Total Tax Owed to the City of Bainbridge Island. ▶	

SIGNATURE REQUIRED

The undersigned hereby certifies under penalty of perjury, under the laws of the State of Washington, that the information reported on this form is true and correct to the best of his/her knowledge.

Print Name: _____ Contact Telephone # or Email: _____

Signature: _____ Date: _____

Mail Tax Report Form and Payment to:
City of Bainbridge Island
280 Madison Avenue North
Bainbridge Island, WA 98110-1812
Phone: 206/780-8591 | Fax: 206/842-5741
Office Hours: Monday – Friday, 8:00 a.m. to 4:00 p.m.

General Instructions
City of Bainbridge Island
Business & Occupation Tax Report
Year Ending December 31, 2017

General Instructions

A person engaging in business on Bainbridge Island, as defined by [Chapter 5.05](#) of the Bainbridge Island Municipal Code, is required to have a City Business License. The business is subsequently subject to “Business & Occupation Tax” or “gross receipts tax” on the gross receipts of the business. Your Business & Occupation Tax report and payment (if applicable) are due by February 28, 2018, for business covering the previous calendar year. You are required to complete this report if you had taxable receipts in the State of Washington of \$100,000 or more during 2017 even if no tax is owed. The City changed its requirements for Business & Occupations Taxes to comply with State rules beginning January 1, 2005. In the context of this Business & Occupation Tax Report, unless otherwise referenced by the State ‘receipts’ is a generalized term encompassing income, value, and proceeds. **The City retains the right to require proof of any of the figures you submit including the amounts and apportionment of gross receipts, deductions, and exemptions.**

Section 1: Gross Receipts

For most businesses, amount of the WA State Gross Receipts is the same as reported for the State of Washington Combined Excise Tax Return(s). That is, “Gross Receipts” on this form is the total for 2017 of “Column 1 Gross Amount” on your State form. “Deductions Allowed” on this form is the total for the year in “Column 2 Deduction” on the State form. If your business accounting records do not identify deductions by sales office, the City requires the deductions claimed for Bainbridge Island be no greater than the ratio of deductions to gross receipts claimed for your entire business. “Revenue Taxable by the State” is the total of “Column 3 Taxable Amount” for all of 2017 on your State form.

If you have business locations (offices) both on and off Bainbridge Island, the City does not tax the business of your locations (offices) in other communities.

Section 2: City Exemptions

The City allows the following exemptions in addition to those allowed by the State. Revenue derived from these sources may be subtracted from your Total Gross Revenue Taxable by the City (except for exemption 7, which calls for a recalculation of some of the figures reported to the State). To claim these exemptions, each exemption and the amount you are claiming must be identified. The City allows the following exemptions:

1. Commercial Parking Lot. Gross receipts derived from a commercial parking lot business, which is subject to the City’s 30% commercial parking lot tax as mandated by [Chapter 5.10](#) of the Bainbridge Island Municipal Code.
2. Liquor Sales/Motor Vehicle Fuel Sales. Gross receipts derived from the sale of liquor as defined by [RCW 66.04.010](#) and exempted under [RCW 66.08.120](#), or from the sale of motor vehicle fuels as defined by [RCW 66.04.010](#) and exempted under [RCW 82.36.440](#) and mandated by [Chapter 5.05](#) of the Bainbridge Island Municipal Code.
3. Temporary Stationary Business. Gross receipts from a “temporary stationary business” as defined by [Chapter 5.40](#) of the Bainbridge Island Municipal Code. Note: If the fee was paid for a City business license, the business is not a “temporary stationary business.”
4. Other Exempt Activity. Gross receipts from any other business not subject to taxation by the City as directed by State law as outlined in [Chapter 5.05](#) of the Bainbridge Island Municipal Code. The exempt activity must be identified to claim exemption.
5. Out-of-State Sales. Gross receipts for out-of-state sales for which you receive a tax credit on Schedule C as mandated by [Chapter 5.05](#) of the Bainbridge Island Municipal Code.
6. Eligible Gross Receipts Tax on the Same Activity Paid to Other City/Cities. The amount of eligible gross receipts tax paid to another city for the same activity as defined by [Chapter 5.05](#) of the Bainbridge Island Municipal Code. The city or cities to which you paid the tax must be identified to claim this exemption.
7. Taxable Receipts from Multiple Activities Tax Credit. As determined by [Chapter 5.05](#) of the Bainbridge Island Municipal Code, when reporting the same receipts more than once to the State and having claimed multiple activities tax credit on Part II of Schedule C, deduct the amount of taxable revenue counted twice to reduce the reported gross to the amount of actual gross.

Section 3: Standard City Deduction

The City allows a \$150,000 annual deduction from your gross receipts under [Chapter 5.05](#) of the Bainbridge Island Municipal Code as mandated by [Resolution No. 99-27](#) and [Ordinance No. 2012-20](#). Only one such deduction is allowed for businesses under common ownership. Businesses are under common ownership if 10% or more of the business is owned or controlled by the same person or group of persons.

Section 4: Tax, Penalties, and Payment

Payment of your Business & Occupation Tax and Business License Renewal Fee is required on or before February 28, 2018, to avoid penalties.

Business & Occupation Tax Penalties	
Payment received by the City on or before February 28, 2018.	No penalty due.
Payment received by the City before April 1, 2018.	Add 5% of total tax due.
Payment received by the City April 1-30, 2018.	Add 15% of total tax due.
Payment received by the City May 1, 2018, or later.	Add 25% of total tax due.
Minimum penalty on all late returns where tax is due is \$5.00. There is no penalty on late returns with no tax due.	