



Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

ETA 3038.2009

Issue Date: February 2, 2009

Deeds of Trust--Trustee Fees

Are trustee fees collected by a title insurance company when acting as a trustee of a Deed of Trust subject to retail sales tax?

RCW 82.04.050 (3) defines "sale at retail" or "retail sale" to include:

" . . . the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities: . . .(b) abstract, title insurance, and escrow services."

Trustee fees are paid for services related to reconveyance or foreclosure. These services are entirely unrelated to title insurance business. The trustee services are not retail sales, such trustee fees are taxable under the "service and other activities" classification of the business and occupation Tax.

To request this document in an alternate format, visit <http://dor.wa.gov> and click on "contact us" or call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

General tax information is available on our website at dor.wa.gov.

Questions? Complete the online form at dor.wa.gov/communications or call 800-647-7706. If you want a binding ruling from the Department, complete the form at dor.wa.gov/rulings.