

# Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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ETA 3176.2013

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## Digital Products – General Implementation

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**2009 and 2010  
legislation**

In 2009, the Legislature adopted Chapter 535, Laws of 2009 (ESHB 2075) effective July 26, 2009. This was Washington's first comprehensive legislation addressing the retail sales and use taxation and business and occupation (B&O) taxation of digital products. In 2010, the Legislature adopted Chapter 111, Laws of 2010 (SHB 2620), which clarifies ambiguities and corrects unintended consequences related to the passage of ESHB 2075. SHB 2620 took effect July 1, 2010, and applies prospectively for all sections and retrospectively to July 26, 2009, for most sections.

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**Phased  
implementation  
process ends  
June 30, 2011**

The Department of Revenue (Department) implemented ESHB 2075 in a phased process. During the initial phase, taxpayers were expected to make a good faith effort to comply with guidance issued by the Department. Taxpayers were also given an opportunity to request a letter ruling on their specific facts. During that time, if the taxpayer made a good faith effort to comply, there were no adverse consequences stemming from a lack of compliance. However, with the passage of clarifying legislation, publication of additional information and responses to letter ruling requests over the past year, the Department is moving to a process of normal enforcement in order to fully implement ESHB 2075 and SHB 2620. Therefore, the initial phase of implementation will end June 30, 2011 and normal enforcement practices will begin after that date.

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**Ruling requests**

***How to request a ruling***

Rulings may be requested through the Department's web page at:  
<http://dor.wa.gov/digitalproducts> ("Send us a question").

***Rulings are binding***

The taxpayer is responsible for following these rulings unless or until contrary instructions are provided through a subsequent written ruling, the issuance of

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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](http://dor.wa.gov).

Questions? Complete the online form at [dor.wa.gov/communications](http://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](http://dor.wa.gov/rulings).

(continued) additional excise tax advisories, amendment/supplement to an excise tax advisory, or adoption of a rule with different provisions.

***Outstanding ruling requests submitted prior to July 1, 2011***

Anyone who submitted a ruling request prior to July 1, 2011 will continue to be eligible for phased implementation until the Department answers their ruling request.

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**Taxpayer responsibility**

Taxpayers are expected to monitor guidance provided that may impact them by:

- Visiting the Department's Digital Products web page (<http://dor.wa.gov/digitalproducts>); and
- Signing up for the digital products listserv through a link on the web page to receive updates by e-mail.

**Note:** All taxpayers, including those that have obtained prior written rulings, are responsible for following updated guidance as it is provided.

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