

# Indian tax guide

## Indian tax guide

The Indian Tax Guide was created to assist persons engaging in activities within Indian country or with Indian tribes or tribal members. The information contained in this guide provides guidance for activities such as the sales of tangible personal property or retail services, and treaty fishery activity or the exercise of other treaty rights.

This guide is intended to provide general tax information only. For more information or to get answers to specific questions, please contact [Daniel Knudsen](#), the Department's Tribal Liaison, at 360-534-1586.

*Updated October 2023*

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## Resources

- [WAC 458-20-192](#)
- [Tax exemption for sales to tribes](#)
- [Tribal Fishing, Hunting, and Gathering form](#)
- [Declaration for a Dealer Selling a Motor Vehicle to Tribes](#)
- [Private Party Selling a Motor Vehicle to Tribes](#)
- [Sales Tax Refund Request for Tribes and Tribal Members/Citizens](#)

## Definitions

### Definitions

**Indian:** A person on the tribal rolls of an Indian tribe. A person on the tribal rolls is also known as an "enrolled member" or a "member" or an "enrolled person" or an "enrollee" or a "tribal member."

**Indian country:** has the same meaning as given in 18 U.S.C. 1151 and means:

- (i) All land within the limits of any Indian reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights of way running through the reservation;
- (ii) All Indian allotments, the Indian titles to which have not been extinguished, including rights of way running through the same.

**Indian tribe:** An Indian nation, tribe, band, community, or other entity recognized as an "Indian tribe" by the United States Department of the Interior. The phrase "federally recognized Indian tribe" and the term "tribe" have the same meaning as "Indian tribe."

**Indian reservation:** Reservation land and trust or federally restricted land located outside a reservation.

**Nonmember:** A person not on the tribal rolls of the Indian tribe.

**State sales and use tax:** Includes local sales and use tax

## Federally recognized Indian Tribes

### Federally recognized Indian Tribes

**In Washington:**

- Chehalis Confederated Tribes.
- Colville Confederated Tribes.
- Cowlitz Tribe.
- Hoh Tribe.
- Jamestown S'Kallam Tribe.
- Kalispel Tribe.
- Lower Elwha Klallam Tribe.
- Lummi Nation.
- Makah Tribe.
- Muckleshoot Tribe.
- Nisqually Tribe.
- Nooksack Tribe.
- Port Gamble S'Klallam Tribe.
- Puyallup Tribe.
- Quileute Tribe.
- Quinault Nation.
- Samish Nation.
- Sauk-Suiattle Tribe.
- Shoalwater Bay Tribe.
- Skokomish Tribe.
- Snoqualmie Tribe.
- Spokane Tribe.
- Squaxin Island Tribe.
- Stillaguamish Tribe.
- Suquamish Tribe.
- Swinomish Tribe.
- Tulalip Tribes.
- Upper Skagit Tribe.

- Yakama Nation Confederated Tribes.

**In Idaho or Oregon:**

- Coeur d'Alene Tribe.
- Grand Ronde Community of Oregon Confederated Tribes.
- Kootenai Tribe.
- Nez Perce Tribe.
- Umatilla Confederated Tribes.
- Warm Springs Confederated Tribes.

An up-to-date list of federally recognized Indian tribes in the state of Washington is available online from the [Governor's Office of Indian Affairs](#).

**Who is a tribal member?**

Who is a tribal member?

**Member**

A person who is enrolled with the tribe upon whose territory an activity is taking place.

**Spouse**

The spouse of a tribal member, if the treatment of [Washington Administrative Code \(WAC\) 458-20-192](#) does not conflict with tribal law, is a tribal member.

**Corporation**

Corporations or other entities owned by Indians. A state chartered corporation comprised solely of Indians is not subject to tax on business conducted in Indian country if all of the owners of the corporation are members of the tribe. The corporation is subject to tax on business conducted outside of Indian country, subject to the exception for treaty fishery activity. Also, partnerships or other entities comprised solely of tribal members of a tribe are not subject to tax on business conducted in Indian country.

**Family members**

In the event that the composition of a family includes a member who is not a member of the tribe the business will be considered as satisfying the "comprised solely" criteria if at least half of the owners are enrolled members of the tribe.

**Example:** A business entity is comprised of a mother who is a member of the Chehalis Tribe and her son who is a member of the Squaxin Island Tribe. When doing business together on the Chehalis reservation they will be considered as satisfying the "comprised solely" criteria because at least half the owners are enrolled members of the Chehalis Tribe.

## Recordkeeping and tax collection

### Recordkeeping and tax collection

A seller is required to maintain appropriate records on the tax-exempt status of applicable business transactions. The seller must obtain a completed [Tax Exemption for Sales to Tribes](#) from the buyer.

Generally, in this state the sale to persons other than tribal members is subject to the retail sales tax regardless of where delivery or rendition of services takes place. A seller is required to collect and remit to the state the retail sales tax upon each taxable sale made by them to nonmembers in Indian country.

A tribe and the department may enter into an agreement covering the collection of state tax by tribal members or the tribe.

Records of tax-exempt status must be maintained for five years.

### Qualifying identification

In order to substantiate the tax-exempt status of a retail sale to a person who is a tribal member, unless the purchaser is personally known to the seller as a member, the seller must require presentation of a tribal membership card or other suitable identification of the purchaser as an enrollee of the Indian tribe. Examples of other acceptable identification are:

- Letter from tribal official.
- List of tribal member from a tribal official.
- Treaty fishery identification card.

**Example:** A refuse collection company must verify the tax-exempt status of its customers. The refuse collection company can either:

- Get a list from the tribe of all tribal members living in Indian country.
- Get a copy of the individual's tribal membership card.

A tribe and the department may enter into an agreement covering identification of enrolled members, in which case the terms of the agreement govern.

## Sales to Indians in Indian country

### Sales to Indians in Indian country

Generally, the state may not tax Indians or Indian tribes in Indian country. The term "Indian" includes only those persons, and qualifying spouses, who are enrolled with the tribe upon whose territory the activity takes place and does not include Indians who are members of other tribes.

If the tax falls on an Indian or a tribe, the tax is not imposed if the activity takes place in Indian country or the activity is treaty fishing rights-related activity.

Nontribal sellers of tangible personal property, retail services, and professional services owe the business and occupation (B&O) tax unless certain conditions are met. In some instances, the retail sales tax must also be collected from the tribal member or tribe.

### Sales of tangible personal property

Income from sales of tangible personal property to the tribe or to tribal members is not subject to B&O tax if the tangible personal property is delivered to the buyer in Indian country and if any of the following apply:

- The property is located in Indian country at the time of sale.
- The seller has a branch office, outlet, or place of business in Indian country that is used to receive the order or distribute the property.
- The sale of the property is solicited by the seller while the seller is in Indian country.

When these conditions are not met, the seller must pay B&O tax on its business activity.

**Important!** Generally, the sale of tangible personal property sold to an Indian or an Indian tribe is not subject to sales tax when the property is delivered to the member or tribe within Indian country or the sale that takes place within Indian country. The sale is subject to sales tax when delivery occurs outside of Indian country.

**Example** (delivery within Indian country):

A tribal member purchases furniture from a store outside of Indian Country. The tribal member presents identification to the store owner and requests delivery to the reservation upon which they are a tribal member. In this case, retail sales tax is not due. However, if the tribal member takes possession of the furniture outside of Indian country, sales tax must be collected.

**Example** (sale within Indian country):

A tribal member purchases items from a store located on the reservation of which they are a tribal member. The transaction is automatically exempt from sales tax and there is no reason to establish "delivery." If the purchaser is known to the store owner as a registered tribal member, no proof is required. If the purchaser is not known to be a tribal member, the store owner must verify proof, such as a tribal membership card.

## Providing retail services

**The B&O tax and retail sales tax are not imposed if the retail service, such as construction or repair services, is performed for the member or tribe in Indian country.**

In the case of a retail service that is performed both on and off Indian country, only the portion of the contract that relates to work done in Indian country is excluded from tax. The work done for a tribe or tribal member outside of Indian country is subject to the B&O tax and the retail sales tax.

**Example:** A company performing road work for a tribe or tribal member both inside and outside of Indian country must collect the appropriate tax for work conducted outside of Indian country. Any work performed within the boundaries of Indian country is exempt from sales tax.

**Example:** A contractor enters into a contract with a tribe to install a sewer line that extends off reservation. Only the income attributable to the installation of the portion of the sewer line off reservation is subject to state tax.

**To document a tax exempt sale to an enrolled tribal member, use this [form](#).**

## Providing other services

Income from the performance of services in Indian country for the tribe or for tribal members is not subject to the B&O or public utility tax. Services performed outside of Indian country are subject to the B&O or public utility tax.

In those instances where services are performed both on and off of Indian country, the activity is subject to state tax to the extent that services are substantially performed outside of Indian country.

## Professional services presumption

It will be presumed that a professional service (for example, accounting, legal, or dental) is substantially performed outside of Indian country if 25% or more of the time taken to perform the service occurs outside of Indian country. The portion of income subject to state tax is determined by multiplying the gross receipts from the activity by the quotient of time spent outside of Indian country performing the service divided by total time spent performing the service.

**Example:** An accountant with an office outside of Indian country provides accounting services to a tribal member. The accountant performs some of the work at the office and some work at the business of the tribal member in Indian country. If at least 25% of the time performing the work is spent outside of Indian country, the services are substantially performed outside of Indian country and therefore a portion is subject to state tax.

The accountant must maintain suitable records to distinguish between taxable and nontaxable income in order to provide for a reasonable approximation of the amount of gross income subject to B&O tax. In this case, suitable records could be a log of the time and location of the services performed for the tribal member by the accountant, his or her employees, and any contractors hired by the accountant.

## Tax Rate Lookup Tool

When collection of retail sales tax is applicable, the department's [Tax Rate Lookup Tool](#) can be used to determine the local sales tax rate for a specific location. It automatically searches for and identifies the location code and tax rate when you enter the US Postal Service address. The system also provides a map lookup feature.

If the system indicates a location is not in Indian Country and you believe that it is, you may provide supporting documentation through other means such as a map or official letter from the tribe.

## Public utility services presumption

For public utility services under chapters [82.16](#) and [54.28](#) RCW it will be presumed that the service is provided where the customer receives the service.

## Retail sales - Tax tangible personal property - Delivery threshold

Retail sales tax is not imposed on sales to Indians if the tangible personal property is delivered to the member or tribe in Indian country or if the sale takes place in Indian country.

## Construction services performed in Indian Country

Construction services performed in Indian Country

### Prime contractor working directly for tribal members in Indian Country

**Retail sales tax:** Retail sales tax does not apply to the construction charges of a prime contractor to a tribe or enrolled member when the construction is performed in Indian country. In the case of construction that is performed both in and outside Indian country, only the portion of the contract that relates to work done in Indian country is excluded from tax. The work done for a tribe or Indian outside of Indian country, for example road work that extends outside of Indian country, is subject to retail sales tax.

**Business and occupation (B&O) tax:** B&O tax does not apply to the construction charges of a prime contractor to a tribe or enrolled member when the construction is performed in Indian country.

**Reseller permits:** Reseller permits are issued to businesses that make wholesale purchases, including qualified contractors. The department will issue permits based on specific criteria. A prime contractor may use a reseller permit to purchase materials and subcontractor labor for construction in Indian Country for tribal members. These are considered to be purchases for resale. Many Indian businesses (resellers) are eligible to obtain a reseller permit even if they are not otherwise required to be registered to collect and pay tax to the department. Contractors must apply yearly for a reseller permit. Applications are available online. For more information, please see [Reseller Permits](#).

**Buyers exemption certificate:** Prime contractors working directly for the Tribe are not required to pay sales tax on construction supplies and rentals if delivery is made to the prime contractor in Indian Country and such items will be used exclusively in performing construction in Indian Country. See [Tax Exemption for Sales to Tribes](#) (pdf).

**Use tax:** Prime contractors do not owe use tax on the materials permanently installed or affixed to real estate in Indian Country when the construction is performed for the tribe or an enrolled member. Prime contractors working directly with a Tribe do **not owe** use tax on materials and/or services (for example, equipment rentals) fully consumed in performance of such construction.

**Example:** A business building a home for a non-tribal member can purchase subcontractor services and materials to be incorporated into the home at wholesale. Similarly, a business building a home for a tribal member in Indian country can also purchase these services and materials at wholesale.

## Subcontractor working for prime contractor in Indian Country

Subcontractors working in Indian Country are generally taxed as if the construction occurred outside of Indian Country. In other words, subcontractors are not afforded any favorable tax treatment by virtue of performing work for a prime contractor who is performing work for an Indian or Indian Tribe.

**Retail sales tax:** Retail sales tax does not apply if the subcontractor obtains a reseller permit from the prime contractor. This is true even though the prime contractor is not required to collect sales tax from the enrolled member.

**Business and occupation tax:** Subcontractors are subject to B&O tax on their income from the performance of construction in Indian Country. If they obtain a resale certificate or a reseller permit from the prime contractor, wholesaling B&O tax applies. Otherwise, retailing B&O tax applies.

**Reseller Permits:** Effective January 1, 2010, the resale certificate was replaced with a reseller permit issued by the Department of Revenue. Subcontractors may use a reseller permit to purchase materials and subcontractors for construction in Indian Country. Reseller permits are issued to businesses that make wholesale purchases, including Indian businesses not otherwise required to be registered with the department. The department will issue permits based on specific criteria. Contractors must apply yearly for a reseller permit. Applications are available online. For more information, please see [Reseller Permits](#).

**Use tax:** Subcontractors do not owe use tax on **materials** they install in Indian Country. Subcontractors owe use tax on **items and services consumed** in Indian Country.

## Construction in Indian Country for non-enrolled persons

Construction performed for non-enrolled persons is treated like construction that occurs outside of Indian Country.

## Documenting tax-exempt transactions recordkeeping

Contractors providing construction services to tribal members on Indian lands must verify the tax-exempt status of the tribal members by reviewing the buyers' identification and by obtaining a completed [Buyer's Retail Sales Tax Exemption Certificate](#) (pdf) from the buyer. For examples of acceptable identification, see [Recordkeeping and Tax Collection](#) section.

## Sales by Indians

### Sales by Indians

With the exception of treaty fishery activity, Indians conducting business outside of Indian country are generally subject to the excise tax, including the business and occupation (B&O) tax, the public utility tax, and retail sales tax.

Indians or Indian tribes conducting business outside Indian country must register with the department as required by [RCW 82.32.030](#). [WAC 458-20-101](#) provides information for registering a business. In addition, the business must collect and remit retail sales tax, when applicable, and is subject to the business and occupation (B&O) tax.

## Tribal fishing, hunting, and gathering

### Tribal fishing, hunting, and gathering

Please see [dor.wa.gov/tribalfishhuntgather](https://dor.wa.gov/tribalfishhuntgather).

## Gaming, public utility tax, and Indian housing authorities

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## Gaming

Gaming by Indian tribes is regulated by the federal Indian Gaming Regulatory Act. Nonmembers who operate or manage gaming operations for Indian tribes are not subject to tax for business conducted in Indian country. This exclusion from tax applies to taxes imposed on income attributable to the business activity (for example, the B&O tax), and to sales and use tax on the property used in Indian country to conduct the activity. Sales tax will apply if delivery of property is taken outside of Indian country.

Nonmembers who purchase tangible personal property at a gaming facility are subject to retail sales or use tax, unless:

- (a) The item is preempted because of the outcome of the balancing test. For example, depending on the relative state, tribal, and federal interests, tax on food at restaurants or lounges owned and operated by the tribe or a tribal member or sales of member arts and crafts at gift shops is preempted; or
- (b) The item is purchased for use in the gaming activity at the facility, such as bingo cards or daubers.



## Public utility tax

Generally, income from sales in Indian country of tangible personal property to, and from the performance of services in Indian country for, tribes and tribal members is not subject to B&O (chapter [82.04 RCW](#)) or public utility tax (chapters [82.16](#) and [54.28](#) RCW).

The taxpayer is responsible for maintaining suitable records so that the taxpayer and the department can distinguish between taxable and nontaxable activities.

To document a public utility tax exemption, use the [Tax Exemption for Sales to Tribes form](#) (pdf).

## Indian housing authorities

Tribal Housing authorities and the property of tribal housing authorities are exempt from taxes, such as:

- State and local sales and use taxes.
- State and local excise taxes.
- State and local property taxes.
- Special assessments.

Please note that tribal housing authorities, like all other housing authorities, are exempt from tax anywhere in the state, and the delivery requirement and other geographic thresholds are not applicable.

Tribal Housing Authority means the tribal government or an agency or branch of the tribal government that operated and administers housing programs for persons of low income or senior citizens.

## Motor vehicles, trailers, snowmobiles, etc., sold to Indians or Indian Tribes

Motor vehicles, trailers, snowmobiles, etc., sold to Indians or Indian Tribes

## Sales tax

Federal law provides that the sales of tangible goods, including motor vehicles, to tribes and enrolled tribal members are exempt from retail sales tax if the goods are delivered to or the sale is made in the tribe or enrolled tribal member's Indian country.

Starting June 9, 2016, a new Washington law states there are updated requirements to document both:

- The sale of a motor vehicle was to a tribe or an enrolled tribal member.
- The motor vehicle was delivered to or the sale was made in the buyer's Indian country.

(See [Engrossed Substitute Senate Bill \(ESSB\) 6427, Chapter 232, Laws of 2016](#).)

## How to document a tax exempt sale to a tribe or enrolled tribal member

### The buyer is a tribe or an enrolled tribal member

A buyer must present to the seller, and the seller must keep a copy of, one of the following documents to substantiate that a sale was made to a tribe or an enrolled tribal member. If a buyer does not provide one of the documents, the seller must collect retail sales tax on the sale:

- The buyer's tribal membership or citizenship card.
- The buyer's certificate of tribal enrollment.
- A letter signed by a tribal official confirming the buyer's tribal membership status or that the buyer is a tribe.

### **Delivery to or sale made in the buyer's Indian country**

An exempt motor vehicle sale to a tribe or an enrolled tribal member must also meet one of the following:

#### **The motor vehicle is delivered in the buyer's Indian country**

To establish delivery in the buyer's Indian country, the seller must:

- Deliver the motor vehicle to the buyer's Indian country and
- Complete a declaration, attesting to the location of delivery and enrollment status of the buyer. Both the buyer and seller must sign the declaration. The Department of Revenue created the [Declaration for a Dealer Selling a Motor Vehicle to Tribes](#) for buyers and sellers to use.
- The seller must keep the declaration in their records.

No additional proof is required to document delivery.

No other Department of Revenue form or certificate may be used to document delivery.

**Note:** If a declaration is not completed and signed by both the buyer and the seller, the seller will be unable to meet the delivery requirement and retail sales tax is due on the sale, unless the sale is made in the buyer's Indian country as discussed below.

#### **The sale of the motor vehicle is made in the buyer's Indian country**

If the sale is made in the buyer's Indian country, a declaration does not need to be completed by the buyer and the seller. The buyer must still present one of the three documents above and the seller must examine and keep a copy of the document presented.

For motor vehicle sales, the most common example of when a sale is made in the buyer's Indian country happens when the seller's business (such as an auto dealership) is located in the buyer's Indian country and the sale is completed at the seller's location.

For more information see, Special Notice - [Retail Sales Tax Exemption for Sales of Motor Vehicles to Tribes and Enrolled Tribal Members](#).

## **Cigarette tax**

Cigarette tax

### **Department of Revenue and Liquor and Cannabis Board - Joint duties**

The statutory duties applicable to administration and enforcement of the cigarette tax are divided between the Department of Revenue and the Liquor and Cannabis Board. Enforcement of nonvoluntary compliance is the responsibility of the Liquor and Cannabis Board. Voluntary compliance is the responsibility of the Department of Revenue.

Generally, the sales of cigarettes to nonmembers by Indians or Indian tribes are subject to the cigarette tax. Typically, the wholesaler pre-collects the tax. In the case of sales by tribal smoke shops, the Indian retailer is legally required to collect the tax from the customer.

Therefore, Indian or tribal sellers making sales to non-Indian customers are required by law to meet one of the following:

- Purchase a stock of cigarettes with Washington state cigarette tax stamps affixed for the purpose of making such sales.
- They may make purchases of cigarettes from licensed cigarette distributors for resale to qualified purchasers.
- May purchase a stock of untaxed unstamped cigarettes for resale to qualified purchasers if the tribal seller gives advance notice under [RCW 82.24.250](#) and [WAC 458-20-186](#).

**Qualified purchaser:** means an Indian purchasing for resale within Indian country to other Indians or an Indian purchasing solely for his or her use other than for resale.

Where sales of cigarettes are the subject of a government-to-government cooperative agreement, including cigarette tax compacts, the provisions of that agreement supersede conflicting provisions of this subsection.

### [Tribal Member Claim for Refund of Washington Cigarette Taxes Paid](#)

## **Other miscellaneous taxes**

Other miscellaneous taxes

## **Refuse collection tax**

Indians and Indian tribes are not subject to the refuse collection tax for service provided in Indian country, regardless of whether the refuse collection company hauls the refuse off of Indian country. See our [Solid Waste Collection/Disposal and Recycling Businesses guide](#).

## **Leasehold excise tax**

Chapter [82.29A](#) imposes a tax Indians and Indian tribes in Indian country are not subject to the leasehold excise tax. Leasehold interests held by non-enrolled persons are subject to the leasehold excise tax.

However, a leasehold excise tax exemption is provided under [RCW 82.29A.130\(7\)](#) for all leasehold interests in any real property of any Indian or Indian tribe, band, or community that is held in trust by the United States or is subject to a restriction against alienation imposed by the United States: **PROVIDED, that this exemption shall apply only where it is determined that contract rent paid is greater than or equal to 90% of fair market rental, to be determined by the Department of Revenue using the same criteria used to establish taxable rent in [RCW 82.29A.020\(2\)\(b\)](#).**

## **Fish tax**

Chapter [82.27 RCW](#) imposes a tax on the commercial possession of enhanced food fish, which includes shellfish. The tax is imposed on the fish buyer. The measure of the tax is the value of the enhanced food fish at the point of landing.

A credit is allowed against the amount of tax owed for any tax previously paid on the same food fish to any legally established taxing authority, which includes Indian tribes. Transactions involving treaty fish are not subject to the fish tax, regardless of where the transaction takes place.

Credit against the fish tax is authorized for tax paid on the same fish to any legally established taxing authority.

## **Tobacco tax**

The tobacco tax is imposed on "distributors" as that term is defined in [RCW 82.26.010](#). Tobacco tax is not imposed on Indian persons or tribes who meet the definition of distributor under chapter [82.26 RCW](#) and who take delivery of the tobacco in Indian country. Persons who purchase tobacco products from Indians for resale who are exempt from the tobacco tax are subject to tobacco tax on the product.

## **Property tax**

### **Property taxes on real property**

Real property usually means buildings and lands. Generally, when Indian lands are held in trust by the Federal Government, that property and the improvements on it are exempt from property taxes. When land is owned by an Indian or Indian tribe under a "fee" patent, the property is subject to property taxes.

The courts have found that the underlying legal issue for property taxation of Indian property is whether the land is "alienable." More specifically, whether the Indian owner is free to sell or transfer the property. If a tribe or tribal member owns real property in such a way that they are free to sell or transfer it, the property is subject to property taxes. If the federal government holds the property in trust or puts other restrictions on the Indian's ability to sell or transfer the property, it is exempt from property tax.

Certain properties that federally recognized tribes own in "fee" may also be exempt beginning with the 2004 assessment year. The 2004 legislature amended property tax statutes to exempt property owned in "fee" by these tribes if that property is used for essential government services. Essential government services means " *services such as tribal administration, public facilities, fire, police, public health, education, sewer, water, environmental and land use, transportation, and utility services.*"

### **Property taxes on personal property**

Personal property is defined as the moveable furnishings or equipment used in business. When personal property is owned by a tribe or tribal member and kept in "Indian Country," it is exempt. Indian Country includes trust lands allocated any where and all land within the boundaries of a reservation. The status of reservation land (fee or trust) does not usually affect the taxability of personal property, as long as that land is within Indian Country.

Personal property owned by a tribe or tribal member that is not kept in Indian Country may become subject to taxation. However, personal property owned by tribal Indians and used outside of Indian Country in the treaty fishery remains exempt. The amendments to property tax statutes approved by the 2004 legislature also provide exemption for personal property kept outside of Indian country when that property is used for essential government services.

The taxability of mobile homes in Indian Country depends on both the ownership and whether that mobile home becomes affixed to the land, losing its identity as a moveable piece of personal property. For instance, if a mobile home owned by a tribal member becomes affixed to land that is owned in fee (alienable), it becomes taxable just

like the land. Also, personal property owned by an Indian that is not a member of the tribe on whose reservation the property is kept, would be subject to property tax.

If you have questions about specific property tax situations relating to Indian property, you may call the Property Tax Division at 360-570-5900.

**Real estate excise tax**

The real estate excise tax is imposed on the seller. A sale of land located in Indian country by a tribe or a tribal member is not subject to real estate excise tax. A sale of land located within Indian country by a nonmember to the tribe or to a tribal member is subject to real estate excise tax.

**Timber excise tax**

Payment of the timber excise tax is the obligation of the harvester. The tribe or tribal members are not subject to the timber excise tax in Indian country.

Generally, timber excise tax is due from a nonmember who harvests timber on fee land within Indian country.

Timber excise tax is not due if the timber being harvested is on trust land or is owned by the tribe and located in Indian country, regardless of the identity of the harvester.

For specific information on timber tax, you may contact the department's Timber Tax Program at 360-534-1324.

**Tax on telephone services**

Indian tribes and enrolled Indians living on the reservation in which they are enrolled are not subject to payment of retail sales tax upon the purchase of telephone services delivered to them within the reservation.

Also exempt are telephone services purchased by Indian businesses operated by Indians within the reservations in which they are an enrolled member.

An exemption statement may be submitted to the telephone service provider by an individual Indian, or, a consolidated tribal statement may be provided by the Indian tribes for enrolled tribal members entitled to the exemption. An exemption statement is required to be updated or renewed only upon a change of address or location of the Indian, and, in the case of a tribal exemption, need only reflect additions and/or deletions.

**Tax matrix**

Tax matrix

Rule 192	<i>Outside Indian Country</i>	<i>In Indian Country</i>
<b>QUALIFIED MEMBER</b> , spouse, 100% Indian Corporation, or the Tribe	<b>TAXABLE, except Treaty Fishing Related activity.</b> B&O tax not due for treaty fishing activities where business is wholly	<b>NOT TAXABLE if:</b> <ul style="list-style-type: none"><li>• Tangible property delivered in Indian country, or</li><li>• Services provided in Indian country.</li></ul>

Rule 192	<i>Outside Indian Country</i>	<i>In Indian Country</i>
	<p>owner/operated by qualified Indian tribes.</p> <p>Retail Sales Tax not due on services or tangible property for use in treaty fishing, <b>no matter where delivery takes place.</b></p> <p>Except that Tribal Housing Authorities are not subject to sales tax on or off the reservation.</p>	<p>(Members and tribes SHOULD collect Retail Sales Tax and other taxes due from non-members.)</p> <p><b>Retail Sales Tax?</b> Yes, it is due (see above). This is also subject to a balancing test.</p> <p><b>B&amp;O Tax?</b> Depends on the balancing test. See <a href="#">WAC 458-20-192(7)</a>.</p>
<b>NON-MEMBER</b>	<b>TAXABLE as usual</b>	<p>No B&amp;O if services are provided in Indian country to a member or tribe (use the time test for professional services). However, if 25% or more of the time spent outside of Indian Country, apportionment is required.</p> <p>No B&amp;O if tangible property is delivered in Indian country to a member or tribe and meets the test under <a href="#">WAC 458-20-192(7)</a>.</p>