



# Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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## Taxation of Dark Fiber (unlit fiber optic cable)

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### Purpose & Scope

The purpose of this ETA is to provide business and occupation tax and retail sales tax guidance for the taxation of “dark fiber” used in telecommunications services.

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### What is dark fiber?

“Dark fiber” is installed fiber optic cabling that has *not* been “lit” with a laser and associated equipment and therefore does not qualify as “telecommunications services” as defined in RCW 82.04.065(27). “Telecommunications services” are services that transfer, convey, or route voice, data, audio, video or any other information or signals to a point, or between or among points. RCW 82.04.065(27). Dark fiber does not have transmission, conveyance or routing capabilities because it is “unlit.”

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### Tax Treatment of Dark Fiber

“Dark fiber” falls within the definition for “competitive telephone services” (“CTS”) and is therefore subject to retail sales tax. CTS is defined as “...providing by any person of telecommunications equipment or apparatus, or services related to the equipment or apparatus...” RCW 82.04.065(5).

CTS is included within the definition of “retail sale.” RCW 82.04.050(5). The sale of CTS to a consumer is thus subject to retail sales tax and retailing B&O tax, unless exempt by law.

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