

Special Notice

Intended audience: retailers and nonresident consumers

May 31, 2019

Changes to the sales tax exemption for qualified nonresidents

Starting July 1, 2019, the retail sales tax exemption for qualified nonresident consumers will no longer be available at the point of sale. Instead, these consumers may request a refund from the Department of Revenue for the state portion of the sales tax they paid. No refund is available for the local portion of the retail sales tax paid.

Qualified nonresidents

Qualified nonresidents are residents of a state (other than Washington), United States possession, or Canadian province or territory that imposes a sales tax or similar tax—such as a value added tax—of less than 3%. As of July 1, 2011, only residents of the following qualify:

States	US possessions	Canadian provinces/ territories
Alaska	American Samoa	Alberta
Colorado		Northwest Territories
Delaware		Nunavut
Montana		Yukon
New Hampshire		
Oregon		

Sellers

Effective July 1, 2019, retailers must begin collecting retail sales tax from nonresidents when the nonresident takes delivery of the merchandise at the Washington location.

PO BOX 47478 | OLYMPIA, WASHINGTON 98504-7478 | 1-800-647-7706 | dor.wa.gov

For tax assistance or to request this document in an alternate format, visit <http://dor.wa.gov> or call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

Buyers

Qualified nonresident consumers must pay retail sales tax at the point of sale in Washington. They should keep their receipts to submit with their refund request.

Refund requests

Qualified nonresidents can request a refund directly from the Department of Revenue for the *state* portion of the retail sales tax (6.5% of the sales price) they paid on purchases of tangible goods, digital goods, and digital codes.

- Nonresidents can request refunds beginning Jan. 1, 2020 for purchases made between July 1, 2019 and Dec. 31, 2019.
- The refund request must include copies of receipts and proof of qualified nonresidency.
- Requests are limited to one per person per calendar year.
- The request must total \$25 or more in state sales tax paid. Requests for amounts less than \$25 will be denied.
- More information about the refund request process is available on our website: dor.wa.gov/nonresidents.

What purchases are not eligible for a refund?

Certain retail purchases of tangible goods are not eligible for a refund:

- marijuana and marijuana products
- repair parts when not separately stated from repair labor
- items or services substantially used or consumed within Washington such as:
 - lodging
 - meals
 - laundry or dry cleaning services
 - automobile towing or parking
 - recreational services

What does not change?

There are no changes to the exemptions for sales to nonresidents of the following items:

- motor vehicles ([RCW 82.08.0264](#))
- watercraft ([RCW 82.08.0266](#))
- farm machinery ([RCW 82.08.0268](#))
- vessels ([RCW 82.08.700](#))

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Sales of these items to qualified nonresidents can be deducted on the excise tax return using the new deduction named *In-State Sales of Motor Vehicles, etc. to Nonresidents*.

More information

[Engrossed Substitute Senate Bill 5997](#)

Questions

Call 1-800-647-7706 with tax questions.

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