

**WAC 314-55-089 Tax and reporting requirements for cannabis li-
censees.** (1) Cannabis retailer licensees must submit monthly re-
port(s) and payments to the LCB. The required monthly reports must be:

(a) On a form or electronic system designated by the LCB;

(b) (i) Filed every month, including months with no activity or
payment due;

(ii) Each report will identify total product sales and total med-
ical product sales where the excise tax was exempted pursuant to RCW
69.50.535(2) and WAC 314-55-090, in the form and manner required by
the LCB;

(c) Submitted, with payment due, to the LCB on or before the 20th
day of each month, for the previous month. (For example, a report sum-
marizing transactions for the month of January is due by February
20th.) When the 20th day of the month falls on a Saturday, Sunday, or
a legal holiday, the filing must be postmarked by the U.S. Postal
Service no later than the next postal business day;

(d) Filed separately for each cannabis license held; and

(e) All records must be maintained and available for review for a
five-year period on licensed premises (see WAC 314-55-087).

(2) **Cannabis producer licensees:** On a monthly basis, cannabis
producers must maintain records and report purchases from other li-
censed cannabis producers, current production and inventory on hand,
sales by product type, and lost and destroyed product in a manner pre-
scribed by the LCB. The act of keeping data completely up-to-date in
the state traceability system fulfills the monthly reporting require-
ment.

(3) **Cannabis processor licensees:** On a monthly basis, cannabis
processors must maintain records and report purchases from licensed
cannabis producers, other cannabis processors, production of cannabis-
infused products, sales by product type to cannabis retailers, and
lost and/or destroyed product in a manner prescribed by the LCB. The
act of keeping data completely up-to-date in the state traceability
system fulfills the monthly reporting requirement.

(4) **Cannabis retailer's licensees:**

(a) On a monthly basis, cannabis retailers must maintain records
and report purchases from licensed cannabis processors, sales by prod-
uct type to consumers, and lost and/or destroyed product in a manner
prescribed by the LCB.

(b) (i) A cannabis retailer licensee must collect from the buyer
and remit to the LCB a cannabis excise tax of 37 percent of the sell-
ing price on each retail sale of useable cannabis, cannabis concen-
trates, and cannabis-infused products, except as identified in WAC
314-55-090 and RCW 69.50.535(2).

(ii) Records of medical cannabis patient excise tax exemptions
provided must be maintained as required in WAC 314-55-087 and
314-55-090.

(c) Product inventory reductions that are not adequately documen-
ted will be deemed to be sales and will be assessed the excise tax.

(d) Excise tax collected in error must either be returned to the
customer(s) or remitted to the LCB if returning to the customer(s) is
not possible.

(5) **Payment methods:** Cannabis excise tax payments are payable on-
ly by check, cashier's check, money order, or electronic payment or
electronic funds transfer. Licensees must submit cannabis excise tax
payments to the board by one of the following means:

(a) By mail to LCB;

(b) By paying through online access; or

(c) By paying using a money transmitter licensed pursuant to chapter 19.230 RCW. If a licensee uses a money transmitter service, the licensee must remit payments in U.S. dollars.

(6) Payments transmitted to the board electronically under this section will be deemed received when received by the LCB's receiving account. All other payments transmitted to the LCB under this section by United States mail will be deemed received on the date shown by the post office cancellation mark stamped on the envelope containing the payment.

(7) The LCB may waive the means of payment requirements as provided in subsection (5) of this section for any licensee for good cause shown. For the purposes of this section, "good cause" means the inability of a licensee to comply with the payment requirements of this section because:

(a) The licensee demonstrates it does not have and cannot obtain a bank or credit union account or another means by which to comply with the requirements of subsection (5) of this section and cannot obtain a cashier's check or money order; or

(b) Some other circumstance or condition exists that, in the LCB's judgment, prevents the licensee from complying with the requirements of subsection (5) of this section.

(8) If a licensee tenders payment of the cannabis excise tax in cash without applying for and receiving a waiver or after denial of a waiver, the licensee may be assessed a 10 percent penalty.

(9) If a licensee is denied a waiver and requests an adjudicative proceeding to contest the denial, a brief adjudicative proceeding will be conducted as provided under RCW 34.05.482 through 34.05.494.

(10) For the purposes of this section, "electronic payment" or "electronic funds transfer" means any transfer of funds, other than a transaction originated or accomplished by conventional check, drafts, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit a checking or other deposit account. "Electronic funds transfer" includes payments made by electronic check (e-check).

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.535. WSR 24-19-040, s 314-55-089, filed 9/11/24, effective 10/12/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-089, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-089, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, 69.50.535, and 2016 1st sp.s. c 36. WSR 16-19-002, § 314-55-089, filed 9/7/16, effective 10/8/16. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-089, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-089, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-089, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-089, filed 10/21/13, effective 11/21/13.]