



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
OFFICE OF THE DIRECTOR

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June 28, 2024

TO: The Honorable June Robinson, Chair, Senate Ways & Means Committee
The Honorable Lynda Wilson, Ranking Member, Senate Ways & Means Committee
The Honorable April Berg, Chair, House Finance Committee
The Honorable Ed Orcutt, Ranking Member, House Finance Committee

FROM: Drew Shirk, Director *DIS*
Department of Revenue

SUBJECT: Online Searchable Database of Tax Rates Report

The Department of Revenue (department) is submitting this report as required by Section 141(4), Chapter 475, Laws of 2023 (the 2023-2025 fiscal biennium operating budget).

This budget proviso requires the department to:

- Develop an implementation plan for an online searchable database of all taxes and tax rates for each taxing district in the state. The implementation plan must include an array of options, including low-cost options that may change the scope of the database. However, each low-cost option must still provide ease of public access to state and local tax information that is currently difficult for the public to collect and efficiently navigate.
- Submit a report to the appropriate committees of the legislature by June 30, 2024, summarizing options, estimated costs, and timelines to implement each option.

If you have any questions or need the report in an alternate format, please contact Steve Ewing, Legislative and External Affairs Liaison, Executive Division, at SteveE2@dor.wa.gov or (360) 534-1545.

Attachment

cc: Sarah Bannister, Secretary, Washington State Senate
Bernard Dean, Chief Clerk, Washington State House of Representatives
Members, Senate Ways & Means Committee

Members, House Finance Committee

David Schumacher, Director, Office of Financial Management

Pat Sullivan, Executive Director, Legislative Affairs, Office of the Governor

Roselyn Marcus, Assistant Director, Office of Financial Management

Rachel Knutson, Budget Assistant, Office of Financial Management

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INTRODUCTION

[Section 141\(4\), Chapter 475, Laws of 2023](#) (the 2023-2025 fiscal biennium operating budget) tasked the Department of Revenue (department) with studying options that would create an online searchable database of all taxes and tax rates in the state for each taxing district. Specifically, the budget proviso required the department to:

- Develop an implementation plan for an online searchable database of all taxes and tax rates in the state for each taxing district. The implementation plan must include an array of options, including low-cost options that may change the scope of the database. However, each low-cost option must still provide ease of public access to state and local tax information that is currently difficult for the public to collect and efficiently navigate.
- Submit a report to the appropriate committees of the legislature by June 30, 2024, summarizing options, estimated costs, and timelines to implement each option.

To fulfill the requirements, the department considered a number of options , which are discussed in this report. The first option considers a one-stop online searchable database of all taxes and tax rates for each taxing district or jurisdiction, but concludes this option cannot be accomplished. Additional options that are feasible are then discussed. Some of these options can be completed within existing resources and without legislation, while others would require an appropriation for funding and/or authorizing legislation. However, it is important to note that while the additional options seek to provide modest additional transparency for the public as to the taxes and tax rates that may apply, the options will not provide members of the public with a one-stop location where they can identify their total tax liability at a point in time at the click of a button. This is because tax liability is based on a number of factors that cannot be effectively programmed including the nature of the taxable product, activity, or property; whether the taxable incident is exempt; where the taxable incident is sourced or apportioned to and thus subject to tax; and whether the taxable incident is part of a package of items with different taxable statuses.

There are nine options in total for your consideration, divided into three categories as follows:

- “New Portals & Supporting Documents,”
- “New Look Up Tools,” and
- “One New Universal Integrated Tool.”

Under each option, the department has identified feasibility, whether similar current resources are already available, the estimated timeline needed for implementation, and estimated cost information.¹ The department hopes that you find this information useful and is happy to continue working with the legislature to answer any questions about the contents of this report.

¹ The timelines and estimated costs could vary depending on what combination of options are implemented in conjunction with each other. In some cases, there may be costs and time savings and in other cases there may be cost increases and time delays due to staff resources and the complexities of working on multiple options simultaneously.

NEW PORTALS & SUPPORTING DOCUMENTS

1. Online searchable database (portal) of all taxes and tax rates in the state for each taxing district or jurisdiction.

We considered whether the department could create an online searchable database of all taxes and tax rates for each taxing district or jurisdiction to serve as a one-stop portal for the public to calculate the taxes they are directly or indirectly subject to at a given location. After considering what this type of portal might look like, we concluded this type of portal is not feasible, programmable, and the information provided to the public could not be certified as correct.

This is because tax liability is based on several factors that cannot be effectively programmed including the nature of the taxable product, activity, or property; whether the taxable incident is exempt; where the taxable incident is sourced or apportioned to and thus subject to tax; and whether the taxable incident is part of a package of items with different taxable statuses. For example, Washington's business and occupation taxes are based on activities, and it may not be immediately clear which classification and rate applies, whether any deduction or exemption applies, and whether the benefit of that service is attributable to Washington.

Current similar resources

While the options below identify existing resources that can help the public determine taxes and tax rate generally, there is no tool that provides the capability of this option. The closest tool is the department's [Tax Rate Lookup tool](#) and the [Tax Rate Lookup App for mobile devices](#) that can be used to find sales and use tax rates and location codes for any location in the state.

Timeline

We do not believe the department could implement this option. Accordingly, no timeline is established.

Estimated cost

We do not believe the department could implement this option. Accordingly, no estimated cost is established.

2. Create a new Taxes & Rates electronic resource; Create an electronic listing of all tax types administered and overseen by the Department with links to each tax types' main landing page in the Taxes & Rates electronic resource.

The department would create a web-based Taxes & Rates electronic resource for all tax types and tax rates administered or overseen by the department, including:

- State business and occupation taxes.
- State and local sales and use taxes.
- State and local regular and excess property taxes.
- Local lodging taxes.

- State and local motor vehicle taxes.
- Real estate excise tax.
- Estate tax.

The electronic resource would serve as an access point for tax information and allow users to easily navigate to information for each tax. The electronic resource would include web pages with all taxes listed categorically and alphabetically. Each tax would link to information in the department's existing reference manuals and guides, including the authorizing statute, tax rate(s), and a brief description.

Under this option, the department would expand current resources available to the public to include all tax types administered and overseen by the department available online in one convenient location.

Current similar resources

The department does not maintain one consolidated list of all taxes that we administer and oversee. The department's website has a "[Taxes & Rates](#)" landing page with information on a variety of tax types that we administer and oversee. These pages are designed for business users rather than the general public. This information does not include subcomponent rates for general local sales and use taxes, such as the city and county rates and the various included voter approved levies, or the component rates for property taxes, such as the various general county levies and "earmarked" levies (which are levies with funds identified for a specific purpose).

Tax rate and other tax type information is also available through the department's following electronically available publications:

- [Tax Reference Manual](#)
- [Local Tax Reference Guide](#)
- [Levy Manual](#)
- [Ballot Measure](#)

Timeline

This option will take 24 months to implement. The earliest this option could take effect is July 2027 assuming the department starts implementation July 2025.

Estimated cost

Implementation costs for designing and testing the new electronic resource and web pages will be approximately \$30,000 per fiscal year and can be absorbed within current funding.

Ongoing costs to support tax information in the electronic resource, answer additional phone calls, and review and update tax content on web pages will be approximately \$130,000 and 1.5 FTEs per fiscal year and will require an appropriation.

3. Create an “All Tax Tools & Calculators” web page that can be included in the Taxes & Rate electronic resource.

Create an “All Tax Tools & Calculators” webpage that can be included in the Taxes & Rate electronic resource identified in Option 1.

The department would create a webpage that can be included in the Taxes & Rates web electronic resource that links all tax tools and calculators for taxes and tax rates. The webpage would list all current department tax tools, categorized by tax type, and a brief description, including how the tools can be used and for whom the tool is intended. This webpage would also include printable tax rate flyers, such as the sales and use tax rates, lodging, and motor vehicle sales tax flyers. New future tools that are created can also be added to this page.

Under this option, the department would provide explanations and easier access to current resources available to the general public on tax types administered and overseen by the department available online in one convenient location.

Current similar resources

The department does not have a comparable webpage or electronic resource. However, much of the tax and rate information on this portal is currently available through the “[Taxes & Rates](#)” landing page of the department’s website and linked reference manuals and guides.

Timeline

This option will take nine months to implement. The earliest the option could take effect is April 2026 assuming the department starts implementation July 2025.

Estimated cost

Implementation costs for designing and testing the new tool will be approximately \$36,000 in fiscal year 2026 and can be absorbed within current funding.

Ongoing costs to support the tax calculator and tools, answer additional phone calls, and review and update the tools on web pages will be approximately \$130,000 and 1.5 FTEs per fiscal year and will require an appropriation.

4. Annually update the existing Tax Reference Manual.

The department would annually update the [Tax Reference Manual](#) (manual). As part of the annual update, the department would incorporate new legislative changes into the manual.²

Under this option, the department would more frequently update the [Tax Reference Manual](#) to help ensure up-to-date information, including legislative changes, is available to the general public.

² Legislation may be required to ensure the department receives timely information from other agencies where the tax is captured in the Tax Reference Manual but administered by an agency other than the department.

Current similar resources

The department's [Tax Reference Manual](#) is updated as resources are available. The Tax Reference Manual includes both taxes administered and overseen by the department and also some fees and taxes administered by other agencies such as:

- Aircraft fuel tax (Department of Licensing)
- Beer tax (Liquor and Cannabis Board)
- Insurance premiums tax (Office of the Insurance Commissioner)
- Industrial Insurance (Labor & Industries)
- Cannabis excise tax (Liquor and Cannabis Board)
- Local admissions taxes (local jurisdictions)
- Local employer taxes (local jurisdictions)
- Local gambling taxes (local jurisdictions)
- Local household tax (local jurisdictions)
- Pari-mutuel tax (Horse Racing Commission)
- Unemployment compensation tax (Employment Security Department)
- Wine tax (Liquor and Cannabis Board)

The format of the manual is currently regarded as user friendly, standardized, and allows for links to be made for each tax webpage. Tax pages include links to other useful documents such as the department's [Tax Exemption Study](#).

Because the manual is updated only when resources are available, recent legislative changes may not appear in the manual for some time.

Timeline

This option can be implemented in six to nine months. The earliest the option could take effect is April 2026 assuming the department starts implementation July 2025.

Estimated cost

Annual costs to annually update the [Tax Reference Manual](#) will be approximately \$150,000 and 1.0 FTE per fiscal year and will require an appropriation.

5. Upgrade format of the existing Local Tax Reference Guide.

The department would update the format of the [Local Tax Reference Guide](#) to be formatted similar to the [Tax Reference Manual \(Option 4\)](#). This new guide would link to specific tax pages referenced in the [Local Tax Reference Guide](#). The guide would also be updated annually to reflect new legislative changes.

Under this option, the department would make [Local Tax Reference Guide](#) more user friendly for the general public and update the information in the guide more frequently to help ensure up-to-date information, including legislative changes, is available to the general public.

Current similar resources

The department's current [Local Tax Reference Guide](#) is updated as resources are available and contains comparable information to the [Tax Reference Manual](#), but in a format that is generally regarded as less user friendly.

Timeline

This option will take 24 months to implement. The earliest the option could take effect is July 2027 assuming the department starts implementation July 2025.

Estimated cost

Annual costs to revise the format and annually update the [Local Tax Reference Guide](#) will be approximately \$30,000 per fiscal year and may require an appropriation to dedicate resources.

6. Create a Property Tax Component Reference Guide

The department would create a new Property Tax Component Reference Guide which would allow for easy access to state and local property tax component levy information from the [new Taxes & Rates electronic resource \(Option 2\)](#) (cost and timeline not included in this estimate). Links would also be created in the portal directly to the [new Property Tax Component Rate Lookup Tool \(Option 8\)](#) (cost and timeline not included in this estimate).

Under this option, the department would make property tax component information more easily accessible to the general public.

Current similar resources

The department's current [Tax Reference Manual](#) doesn't include information about local property tax components including the various general county levies and "earmarked" levies (which are levies with funds identified for a specific purpose). The best resources for finding information about local property tax components and maximum tax rates is the department's [Levy Manual](#), especially Appendix E, and the [Ballot Measure](#) publication.

These tools were developed to assist county assessors and levy specialists who are responsible for administering the property taxes. The general public may not be aware that these manuals contain information about local property tax components.

Timeline

This option will take 24 - 36 months to implement. The earliest the option could take effect is fiscal year 2028 assuming the department starts implementation July 2025.

Estimated cost

Implementation costs for designing and developing the new guide will be approximately \$200,000 and 1.5 FTEs in fiscal years 2026 and 2027 and will require an appropriation.

Ongoing costs to support the guide, answer additional phone calls, and update the guide will be approximately \$20,000 per fiscal year and may require an appropriation to dedicate resources.

NEW LOOK UP TOOLS

7. Create a New Sales and Use Tax Component Rate Lookup Tool.

The department would create a new Sales and Use Tax Component Rate Lookup Tool that is searchable by address, map, and longitude and latitude. This tool would be separate from our existing lookup tools. The new lookup tool would include all state and local tax subcomponents and rates, such as the city and county rates and the various included voter approved levies and would allow users to quickly see sales and use tax rates and what subcomponents make up the rate for a desired location.

Under this option, the department would make sales and use tax component information more easily accessible to the general public.

Current similar resources

The department's [Tax Rate Lookup tool](#) and the [Tax Rate Lookup App](#) can be used to find tax rates and location codes for any location in the state. The department is in the process of modernizing these tools; however, these tools were developed specifically for business users and not the general public. The current tools allow a user to drill down on a map to locate total sales and use tax rates for a specific location. However, the tools do not show subcomponent rates of the general local sales and use tax rates, such as the city and county rates and the various included voter approved levies, due to feedback provided at the time the tools were developed.

These online tools also include motor vehicle sales/rentals and lodging tax rates. In addition to showing the county, city, and location codes, the online app shows whether the location is in a Regional Transit Authority (RTA), Public Transportation Benefit Area (PTBA), Rural County Community Empowerment Zone (CEZ), or Indian country. The department has received positive feedback from our customers on these tools and plans to continue updating them and making them available, regardless of any additional projects precipitated by this report.

Timeline

This option will take 36 months to implement. The earliest the option could take effect is July 2028 assuming the department starts implementation July 2025.

Estimated cost

Implementation costs for designing and developing the new lookup tool will be approximately \$500,000 and 3.0 FTEs in fiscal year 2026 and \$250,000 and 2.0 FTEs in fiscal years 2027 and 2028 and will require an appropriation.

Ongoing costs to support the new lookup tool, answer additional phone calls, and update the tool will be approximately \$200,000 and 2.0 FTEs per fiscal year and will require an appropriation.

8. Create a new Property Tax Component Rate Lookup Tool for state and local property taxes and rates.

The department would create a new Property Tax Component Rate Lookup Tool for state and local property taxes and rates that is searchable by address, map, and longitude and latitude. The tool would provide information about taxes and rates from previous years only; current tax and rate information could not be provided based on data limitations because property taxes are primarily administered by county assessors and treasurers. The Property Tax Component Rate Lookup Tool would be updated annually when property tax data is collected from the counties. This tool would include links to information about each property tax component and allow users to easily access tax component information such as the various general county levies and “earmarked” levies (which are levies with funds identified for a specific purpose).

Under this option, the department would make property tax component rate information more easily accessible to the general public.

Current similar resources

County assessors and treasurers administer property taxes. Thus, the department is dependent on the data it receives from counties. We receive the previous year’s data rather than the current year.

Although the department does not have a property tax lookup tool that allows the user to drill down on a map and see all taxes and rates by location, it does have interactive data tools for property taxes, such as the following:

- [Assessed values, levies & rates by major taxing districts](#) for levy amounts, tax rates, and total assessed value for select property tax districts.
- [Average levy rates by county](#).

Timeline

This option will take 24 months to implement. The earliest the option could take effect is July 2027, assuming the department starts implementation July 2025.

Estimated cost

Implementation costs for designing and developing the new lookup tool will be approximately \$500,000 and 3.0 FTEs in fiscal year 2026 and \$250,000 and 2.0 FTEs in fiscal year 2027 and will require an appropriation.

Ongoing costs to support the new lookup tool, answer additional phone calls, and update the tool will be approximately \$35,000 and may require an appropriation.

INTEGRATED SALES & USE TAX, PROPERTY TAX, AND ELECTRONIC RESOURCE TOOL

9. Integrate the new sales and use tax component rate lookup tool, the new property tax component rate lookup tool, and the new taxes & rates electronic resource into one tool.

The department would create one tool that incorporates a new electronic resource for a public online searchable database of all taxes and tax rates in the state that the department administers or oversees ([Option 2](#)), component rate lookups for sales and use taxes ([Option 7](#)) and property taxes ([Option 87](#)). The new portal would index tax-specific webpages for users to easily find and access more information on a selected tax types.

The property taxes and sales and use tax portion of the new tool will be searchable by address, map, and longitude and latitude. The property tax component lookup portion of the tool will only provide property tax rates from previous years. Current rates cannot be provided based on data limitations because property taxes are primarily administered by county assessors and treasurers.

Under this option, the department would create a one stop shop for all taxes and rates of taxes administered and overseen by the department.

Current similar resources

There are several different tools and calculators on the department's website today, but no single listing to help the user locate these tools. Examples include:

- Sales and use tax
 - [Tax Rate Lookup - Online](#)
 - [Tax Rate Lookup - Mobile app](#)
 - [Various sales and use tax tools](#)
 - [Sales & Use Tax Rates](#)
- Real estate excise tax
 - [Various partial real estate excise tax calculators](#)
- Motor and urban transportation tax
 - [Motor & Urban Transportation Tax Lookup](#)
- Property tax
 - [Utilities, Tax District, and Tax Code Area Lookup](#)
 - [Assessed values, levies & rates by major taxing districts interactive data graphic](#)
 - [Average levy rates by county interactive data graphic](#).

Timeline

This option will take 48 months to implement. The earliest the option could take effect is July 2029 assuming the department starts implementation July 2025.

Estimated cost

Implementation costs for designing and developing the new universal integrated lookup tool will be approximately \$650,000 and 4.0 FTEs in fiscal year 2026 and \$450,000 and 3.5 FTEs in fiscal year 2027 and will require an appropriation.

Ongoing costs to support the new universal integrated lookup tool, answer additional phone calls, and update the tool will be approximately \$250,000 and 2.5 FTEs per fiscal year and will require an appropriation.

SUMMARY TABLE OF OPTIONS INCLUDED IN REPORT

Option		Timeline	Estimated Cost
1	Create an online searchable database (portal) of all taxes and tax rates in the state for each taxing district or jurisdiction.	N/A. We do not believe the department could implement this option.	N/A. We do not believe the department could implement this option.
2	Create a new Taxes & Rates electronic resource; Create an electronic listing of all tax types administered and overseen by the Department with links to each tax types' main landing page in the Taxes & Rates electronic resource.	24 months	Approximately \$30,000 per fiscal year and can be absorbed within current funding. Ongoing costs to support tax information in the electronic resource, answer additional phone calls, and review and update tax content on web pages will be approximately \$130,000 and 1.5 FTEs per fiscal year and will require an appropriation.
3	Create an "All Tax Tools & Calculators" web page that can be included in the Taxes & Rate electronic resource.	9 months	Approximately \$36,000 in fiscal year 2026 and can be absorbed within current funding. Ongoing costs to support the tax calculator and tools, answer additional phone calls, and review and update the tools on web pages will be approximately \$130,000 and 1.5 FTEs per fiscal year and will require an appropriation.
4	Annually update the existing Tax Reference Manual.	6-9 months	Approximately \$150,000 and 1.0 FTE per fiscal year and will require an appropriation.
5	Upgrade format of the existing Local Tax Reference Guide.	24 months	Approximately \$30,000 per fiscal year and may require an appropriation to dedicate resources

6	Create a Property Tax Component Reference Guide	24-36 months	<p>Approximately \$200,000 and 1.5 FTEs in fiscal years 2026 and 2027 and will require an appropriation.</p> <p>Ongoing costs to support the guide, answer additional phone calls, and update the guide will be approximately \$20,000 per fiscal year and may require an appropriation to dedicate resources.</p>
7	Create a New Sales and Use Tax Component Rate Lookup Tool.	36 months	<p>Approximately \$500,000 and 3.0 FTEs in fiscal year 2026 and \$250,000 and 2.0 FTEs in fiscal years 2027 and 2028 and will require an appropriation.</p> <p>Ongoing costs to support the new lookup tool, answer additional phone calls, and update the tool will be approximately \$200,000 and 2.0 FTEs per fiscal year and will require an appropriation.</p>
8	Create a new Property Tax Component Rate Lookup Tool for state and local property taxes and rates.	24 months	<p>Approximately \$500,000 and 3.0 FTEs in fiscal year 2026 and \$250,000 and 2.0 FTEs in fiscal year 2027 and will require an appropriation.</p> <p>Ongoing costs to support the new lookup tool, answer additional phone calls, and update the tool will be approximately \$35,000 and may require an appropriation.</p>
9	Integrate the new sales and use tax component rate lookup tool, the new property tax component rate lookup tool, and the new taxes & rates electronic resources into one tool.	48 months	<p>Approximately \$650,000 and 4.0 FTEs in fiscal year 2026 and \$450,000 and 3.5 FTEs in fiscal year 2027 and will require an appropriation.</p> <p>Ongoing costs to support the new universal integrated lookup tool, answer additional phone calls, and update the tool will be approximately \$250,000 and 2.5 FTEs per fiscal year and will require an appropriation.</p>