
SUBSTITUTE HOUSE BILL 2334

State of Washington

69th Legislature

2026 Regular Session

By House Finance (originally sponsored by Representatives Berg, Street, Parshley, Ryu, Ramel, Reed, Fitzgibbon, Zahn, Wylie, Morgan, Thomas, Ormsby, Stearns, Macri, Hill, and Thai)

READ FIRST TIME 02/09/26.

1 AN ACT Relating to adjusting the price of a cash transaction to
2 eliminate the need for pennies; adding a new section to chapter 43.17
3 RCW; adding a new section to chapter 82.04 RCW; adding a new section
4 to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW;
5 adding a new chapter to Title 1 RCW; adding a new chapter to Title 19
6 RCW; and creating a new section.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** (1) Notwithstanding any other provision of
9 law to the contrary, the total price of any in-person cash
10 transaction may be rounded to the nearest five cent increment as
11 follows:

12 (a) If the final digit of a cash transaction ends in one cent,
13 two cents, six cents, or seven cents, the final digit may be rounded
14 down to the nearest amount divisible by five cents;

15 (b) If the final digit of a cash transaction ends in three cents,
16 four cents, eight cents, or nine cents, the final digit may be
17 rounded up to the nearest amount divisible by five cents; or

18 (c) If the final digit of a cash transaction ends in zero cents
19 or five cents, the final digit may not be rounded up or down.

20 (2) This section applies only to in-person payments made by legal
21 tender. This section does not apply to transactions for which payment

1 is made by any demand or negotiable instrument, electronic funds
2 transfer, money order, credit card, debit card, electronic payment,
3 or other like instrument.

4 (3) For mixed-tender transactions, any amount paid by a customer
5 in cash must first be applied to the sales price of the goods or
6 services, and any remaining balance may be paid through electronic or
7 noncash methods, such that rounding is not applied to any portion of
8 the transaction paid by noncash methods.

9 (4) Rounding to the nearest amount divisible by five cents under
10 subsection (1) of this section applies solely to the payment amount
11 tendered and does not alter the sales price, the amount of tax owed
12 or collected, or any surcharges, assessments, or applicable fees
13 imposed on the sale.

14 (5) (a) The regulation of rounding practices in cash transactions
15 is a matter of statewide concern.

16 (b) This section preempts and supersedes any ordinance,
17 regulation, or rule adopted by a local government that prohibits,
18 restricts, penalizes, or otherwise regulates any seller's or
19 government's ability to round cash transactions as authorized by this
20 section.

21 (c) A local government shall not enforce any law that treats
22 lawful rounding under this section as a surcharge, penalty, or
23 unlawful price differential based on the method of payment.

24 (6) The rounding of a total price in accordance with this section
25 that creates an inconsistency with any displayed or advertised price
26 is not actionable under the consumer protection act, chapter 19.86
27 RCW.

28 (7) For the purposes of this section, the following definitions
29 apply:

30 (a) "Legal tender" means all coins and currencies of the United
31 States.

32 (b) "Total price" means the final amount due and payable by the
33 buyer for the purchase of any good, service, or other product, or
34 combination thereof, after all applicable taxes and fees are applied,
35 as well as any discounts or other adjustments that are made by the
36 seller.

37 (c) "Transaction" means the entire purchase by a buyer from a
38 seller for all goods, services, and other products, at that date and
39 time as is shown on an invoice or receipt. A transaction may include
40 one item or multiple items.

1 NEW SECTION. **Sec. 2.** (1) Any person selling goods or services
2 shall calculate and remit all taxes and fees imposed by state or
3 municipal taxing authorities based on the sales price before any
4 transaction rounding authorized by section 1 of this act.

5 (2) No action taken in compliance with section 1 of this act by
6 any person selling goods or services constitutes a violation of any
7 state or municipal requirements, laws, regulations, or standards.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.17
9 RCW to read as follows:

10 (1) When pennies are not available, an agency may adjust the
11 total price of a cash transaction by rounding the total in the same
12 manner as provided in section 1 of this act if any tax, fee, or
13 similar charge included in or applicable to the transaction is
14 remitted to the state on the prerounded amount.

15 (2) For the purpose of this section, "agency" has the same
16 meaning as in RCW 42.56.010.

17 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.04
18 RCW to read as follows:

19 This chapter does not apply to amounts received from rounding-up
20 adjustments made under section 1 of this act. No deduction is allowed
21 under this chapter for rounding-down adjustments made under section 1
22 of this act.

23 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.08
24 RCW to read as follows:

25 (1) The total price of any transaction may be adjusted as
26 provided in section 1 of this act.

27 (2) The sales tax imposed under this chapter must be calculated
28 on the selling price of goods, services, or other products subject to
29 sales tax without regard to any rounding applied under section 1 of
30 this act.

31 (3) Any rounding permitted under section 1 of this act applies
32 solely to the cash tendered in an in-person retail sales transaction
33 and does not alter the measure of the sales tax due under this
34 chapter.

35 (4) Nothing in this section authorizes the rounding of the amount
36 of sales tax due.

1 (5) For the purposes of this section, "total price" and
2 "transaction" have the same meanings as provided in section 1 of this
3 act.

4 NEW SECTION. **Sec. 6.** A new section is added to chapter 82.12
5 RCW to read as follows:

6 (1) The total price of any transaction may be adjusted as
7 provided in section 1 of this act.

8 (2) The use tax imposed under this chapter must be calculated on
9 the selling price of goods, services, or other products subject to
10 use tax without regard to any rounding applied under section 1 of
11 this act.

12 (3) Any rounding permitted under section 1 of this act applies
13 solely to the cash tendered in an in-person retail sales transaction
14 and does not alter the measure of the use tax due under this chapter.

15 (4) Nothing in this section authorizes the rounding of the amount
16 of use tax due.

17 (5) For the purposes of this section, "total price" and
18 "transaction" have the same meanings as provided in section 1 of this
19 act.

20 NEW SECTION. **Sec. 7.** RCW 82.32.805 and 82.32.808 do not apply
21 to this act.

22 NEW SECTION. **Sec. 8.** Section 1 of this act constitutes a new
23 chapter in Title 1 RCW.

24 NEW SECTION. **Sec. 9.** Section 2 of this act constitutes a new
25 chapter in Title 19 RCW.

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