

WAC 458-20-223 Persons performing contracts on the basis of time and material, or cost-plus-fixed-fee.

Business and Occupation Tax

Such persons are subject to business tax in accordance with the principles laid down in the department of revenue's published rules, as follows:

As to manufacturing or processing for hire, WAC 458-20-136;

As to constructing and repairing of new or existing buildings, WAC 458-20-170;

As to building or improving of publicly owned roads, etc., WAC 458-20-171;

As to contracts involving only the grading and clearing of land, WAC 458-20-172;

As to service and other business activities, WAC 458-20-224.

The measure of the tax under each of the foregoing types of contracts is the amount of profit or fixed fee received, plus the amount of reimbursements or prepayments received on account of sales of materials and supplies, on account of labor costs, on account of taxes paid, on account of payments made to subcontractors, and on account of all other costs and expenses incurred by the contractor, plus all payments made by his principal direct to a creditor of the contractor in payment of a liability incurred by the latter.

Retail Sales Tax

The retail sales tax applies upon sales made to or by contractors to the extent set forth in said WAC 458-20-136, 458-20-170, 458-20-171, 458-20-172 and 458-20-224.

[Statutory Authority: RCW 82.32.300. WSR 83-08-026 (Order ET 83-1), § 458-20-223, filed 3/30/83; Order ET 70-3, § 458-20-223 (Rule 223), filed 5/29/70, effective 7/1/70.]