

**CITY OF BAINBRIDGE ISLAND
 BUSINESS & OCCUPATION TAX REPORT
 FOR THE YEAR ENDING DECEMBER 31, 2011
 FOR ALL BUSINESSES EXCEPT COMMERCIAL PARKING LOTS**



Payment of this tax is required on or before February 29, 2012.
 See instructions for completion on back of form.

YOU DO NOT NEED TO COMPLETE THIS REPORT IF YOUR BUSINESS HAD TOTAL GROSS RECEIPTS OF LESS THAN \$100,000.00 DURING 2011 AND YOU HAVE SIGNED THE CERTIFICATION ON YOUR CITY BUSINESS LICENSE RENEWAL FORM.

Business Name _____ **City Business ID#** _____ **State Tax #** _____

TOTAL REPORTED TO STATE

TAXABLE BY BAINBRIDGE ISLAND

GROSS RECEIPTS: _____

LESS DEDUCTIONS ALLOWED BY STATE: _____

= REVENUE TAXABLE BY STATE: _____

LESS CITY EXEMPTIONS (SEE LIST ON BACK OF THIS PAGE)
 (Please state reason for exemptions)

Subtract City Deduction _____ (**\$ 200,000**)

= Revenue Taxable by City _____

Multiply Your Revenue Taxable by the City by .001 = TAX DUE: _____
 (Tax due is 1/10 of 1 % of taxable revenue)

PLUS PENALTIES (If Applicable) _____

Total Owed _____

Payments mailed after February 29th are subject to a penalty of 5.0% if received by the City before April 1, 2012, 15.0% if received during the month of April, 2012 and 25.0% if received on May 1, 2012 or later. The minimum penalty is \$5.00.
 If you do not owe tax, you do not need to pay a late filing penalty.

CERTIFICATION: I have read this return and certify under penalty of perjury that the information provided is true & correct.

Print Name: _____ Title: _____

Signature: _____ Date: _____

**PLEASE MAKE YOUR CHECK PAYABLE TO:
 AND MAIL IT TO:** **CITY OF BAINBRIDGE ISLAND
 280 MADISON AVENUE NORTH
 BAINBRIDGE ISLAND, WA 98110-1812**

**BUSINESS & OCCUPATION TAX REPORT
CITY OF BAINBRIDGE ISLAND
FOR THE YEAR ENDING DECEMBER 31, 2011**

GENERAL INSTRUCTIONS:

If you are doing business on Bainbridge Island, you are required to have a City business license. Your tax return and payment (if applicable) are due by February 29, 2012 for the previous calendar year. You are required to complete this form if you had taxable revenue of \$100,000 or more during 2011 even if no tax is owed. The City changed its requirements for B&O Taxes to comply with new State rules beginning January 1, 2005.

EXEMPTIONS AND DEDUCTIONS:

The City of Bainbridge Island allows a \$200,000 annual deduction from your gross income. Only one such deduction is allowed for businesses under common ownership. Businesses are considered to be under common ownership if 10 % or more of the business is owned or controlled by the same person or group of persons.

For most businesses, amounts for the first three lines are the same as you report on your Combined Excise Tax Return(s) filed with the State of Washington. That is, "Gross Receipts" on this form is the total for 2011 of "Column 1 Gross Amount" on your State form. "Deductions Allowed" on this form is the total for the year in "Column 2 Deductions" on the State form. If your company's accounting records do not identify deductions by sales office, we require that the deductions claimed for Bainbridge Island be no greater than the ratio of deductions to gross receipts claimed for your entire business. Our third line "Revenue Taxable by the State" is the total of "Column 3 Taxable Amount" for all of 2011 on your State form.

If you have business locations (offices) both on Bainbridge Island and somewhere else, the City of Bainbridge Island does **not** tax the business of your offices in other communities.

The City of Bainbridge Island allows the exemptions in addition to those allowed by the State. Revenue derived from these sources may be subtracted from your taxable revenue (except for item 7, which calls for a recalculation of some of the figures you reported to the State). To **claim these exemptions, you must identify each exemption and the amount** you are claiming on the front of this form. The City allows the following exemptions:

1. Gross income derived from a commercial parking lot business which is subject to the City's commercial parking lot tax.
2. Gross income derived from the sale of liquor as defined by RCW 66.04.010 and exempted under RCW 66.08.120 or from the sale of motor vehicle fuels as defined by RCW 66.04.010 and exempted under RCW 82.36.440.
3. Gross income from a "temporary stationary business". Note that if you paid a fee for your City business license, your business is not a "temporary stationary" business.
4. Gross income from any other business which is not subject to taxation by the City as directed by State law (please identify the exempt activity when claiming your exemption).
5. Proceeds for out-of-state sales for which you receive a tax credit on Schedule C.
6. The amount of your gross income on which you pay a Business & Occupation tax to another city. Please identify the city to which you paid the tax when claiming your exemption.
7. If you have reported the same receipts more than once on your State form and have claimed a **multiple activities** tax credit on Part II of Schedule C, you may deduct the amount of taxable revenue which is counted twice in order to reduce your reported gross to the amount of your actual gross business.

DUE DATE & PENALTIES:

Payment of your business license renewal fee and any Business & Occupation taxes owed to the City of Bainbridge Island is required on or before February 29, 2012. Payments mailed after that date are subject to a penalty of 5.0% if received by the City before April 1, 2012, 15.0% if received during April, 2012 and 25.0% if received on May 1, 2012 or later. The minimum penalty is \$5.00.

THE CITY RETAINS THE RIGHT TO REQUIRE PROOF OF ANY OF THE FIGURES YOU SUBMIT INCLUDING THE AMOUNTS AND APPORTIONMENT OF GROSS RECEIPTS, DEDUCTIONS AND EXEMPTIONS.