



Tax and Reporting Requirements for Cannabis Licensees

Background:

Per [WAC 314-55-089W](#), Cannabis retailer licensees must submit monthly tax reports and payments to the Liquor and Cannabis Board (LCB), even if there have been no sales. Reports and payment is due on or before the 20th of each month for the previous month (for example, transactions for the month of January are due by February 20th).

Cannabis Retailer Licensees:

Retailers must be compliant with reporting purchases from processors, inventory adjustments, sales to customers, and lost or destroyed product in the Traceability program (e.g., CCRS) and submit a monthly sales/tax report. Each sale of useable cannabis, cannabis concentrate, or cannabis-infused product should reflect a 37% excise tax, collected from the customer and remitted (paid) to the LCB. If there is excise tax collected in error, it should be either returned to the customer or remitted to the LCB if returning to the customer is not possible.

You are personally liable if you fail to collect the cannabis excise tax.

**Please note: a report still must be submitted even if no sales occurred.*

Ways to submit payment to the LCB:

- Check
- Cashier's check
- Money order
- Electronic payment
- Electronic funds transfer

Directions for online payments can be found [here](#).

Failure to Pay or Report:


A penalty of 2% per month will be assessed on outstanding balances. If the 20th falls on a Saturday, Sunday, or legal holiday, the payment must be postmarked by USPS no later than the next postal business day.

Failure to report and/or pay is sufficient grounds for the LCB to suspend or revoke a cannabis license.

How to Report:

Report forms are found [here](#) and can be submitted in either Excel or pdf formats (both templates are available). Once the sales tax form has been completed, even if there were no sales, email to the form to cannabistaxes@lcb.wa.gov on or before the 20th day of the month. Reports can also be sent by mail along with the monthly payment, but please make sure it is postmarked on or before the 20th day of the month. The LCB mailing address is:

Washington State Liquor and Cannabis Board
PO Box 3724
Seattle, WA 98124-3724



**Washington State
Liquor and Cannabis Board**

PO BOX 3724
SEATTLE WA 98124-3724
E-mail: cannabistaxes@lcb.wa.gov

WASHINGTON CANNABIS RETAILER SALES & EXCISE TAX
FORM LIQ-1295

License Number:

License Trade Name:

Location Address:

City:

REPORT MONTH
Enter a number between 1 and 12

YEAR

Submitting a revised report (include original report, point of sale report and explanation) - Enter Yes or No.

Reporting monthly sales = \$0.00 - Enter Yes or No.

You no longer own the business and this is the "Final Report" - Enter Yes or No

Reporting and Payment Obligations:

WAC 314-55-089 You must submit a report each month, even if you did not have sales & pay on or before the tax due date.
*Reports & tax payments are DUE on the 20TH of the following month (e.g. Reporting May Sales due on June 20th).
** The greater of calculated vs. collected is to be reported and paid if the over-collected amount cannot be refunded to the consumer.
Medical compliant product sales that were exempted from the cannabis excise tax.

WAC 315-55-092 A 2% late payment penalty will be assessed each month on unpaid account balances.
*Failure to report and pay may result in your license being referred to start the "Intent to Suspend" process.

Licenses that have been suspended for 90 days or more; has two consecutive "Intent to Suspend" notices or have a total of eight or more "Intent to Suspend" notices, may be recommended for "Intent to Revoke".

		TOTALS
1	CANNABIS PRODUCT SALES (Before Sales and Excise Tax)	\$
2	Less, Total Medical cannabis product sales (enter as a credit or a negative amount). Valid between June 2024 and June 30, 2029	
3	TOTAL CANNABIS PRODUCT SALES (Before Sales and Excise Tax)	0.00
4	RETAILER EXCISE TAX RATE	37%
5	CALCULATED CANNABIS EXCISE TAX DUE (Cell 1.0 less cell 1.1) x cell 2)	0.00
6	ADDITIONAL EXCISE TAX COLLECTED (amount that is more than the calculated in cell 3)	
7	SUBTOTAL (CANNABIS EXCISE TAX)	\$ 0.00
Adjustments		
8	Balance Due from prior period	
9	Approved Credits - Attach LCB's approval email. Enter as + credit / negative number.	0.00
10	Amount to pay (after adjustments)	\$ 0.00

WSLCB USE ONLY (Fund 315, Rev code 1-23-30)

Check No	VL		Tax System			
	PL		Tax System			
Check if Late	Report		Payment			
Postmark Date						
License No	0	Month	0	Year	0	0
Location Address	0		City	0		
Monthly Sales		Less Medical Cannabis Sales		Total Cannabis Product Sales		
Calculated Excise Tax	Additional Excise Tax Collected	Approved credits	Balance Due	Total due		

Check OK

Certified True and Correct Under Penalty of Perjury

Signature of Person Completing Form:

Printed Name:

Date: Telephone No.:

E-Mail Address:

Revised May 2024

Best Practices for Successful Reporting and Payment:

- Save annual payment calendar located on our website [here](#).
- Submit report using the templates (please do not submit an image file).
- If no sales occurred, submit at the beginning of the following month.
- Make sure inventory deduction is well documented. If it is not, taxes might be owed on the missing product.
- The LCB communicates primarily by email. Check your email and quickly respond to questions, missing report notices, and send in your payment in when you get a courtesy Balance Due Statement.
- Keep your contact information (e.g. telephone numbers, mailing address, and email) with the LCB current. Send an email to licensingchanges@lcb.wa.gov with your UBI and license numbers, old information, and new information, or you can call the customer service staff, (360)-1600 Option 1, to confirm and update your information.

Medical Cannabis Tax Exemption:

The medical cannabis exemption ([HB1453](#), [RCW 69.50.535](#)) rule became effective June 6, 2024. That rule states “registered patients who purchase DOH Medical Product (products with the additional testing requirements and the DOH logo attached) in a medically endorsed store qualify for the **cannabis excise tax exemption**”.

Finance Tax and Fee, Cannabis Tax Guide, and Cannabis Retailer report (excel and fillable PDF) have been revised to include medical cannabis product sales. Reporting of medical cannabis exempted sales will start with the June 2024 Cannabis Retailer monthly sales/tax report due July 22, 2024.

Relevant Laws and Rules:

[RCW 69.50.535](#)

[RCW 69.50.565](#)

[WAC 314-55-089](#)

[WAC 314-55-092](#)

Please reach out to cannabistaxes@lcb.wa.gov or call (360) 664-1789, with any questions, we are here to help, to answer any questions, and provide opportunities of success for our licensees.