



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	<input type="text"/>	MONTH (enter a number 1 -12)
License Trade Name	<input type="text"/>	
Location Address	<input type="text"/>	YEAR
City, State & Zip	<input type="text"/>	

Revised report (check this box and include documentation)

Are you reporting \$0.00 / no sale activity (check this box)

Final Report (check this box) (Check only if this is the last report for your license)

Your 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.
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 Suspension" 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".

Email your completed report to cannabistaxes@lcb.wa.gov or mail to PO Box 3724, Seattle WA 98124-3724.

Certified True and Correct Under Penalty of Perjury	
Signature of Person Completing Form	<input type="text"/>
Printed Name	<input type="text"/>
Date	<input type="text"/>
Telephone No.	<input type="text"/>
E-Mail Address	<input type="text"/>

		TOTALS
TOTAL CANNABIS PRODUCT SALES (Before Sales and Excise Tax)	1	
RETAILER EXCISE TAX RATE	2	37%
CALCULATED CANNABIS EXCISE TAX DUE (Cell 1 x cell 2)	3	0.00
ADDITIONAL EXCISE TAX COLLECTED	4	
SUBTOTAL (CANNABIS EXCISE TAX)	5	\$ 0.00
ADJUSTMENTS		
2% Late Payment Penalty	6	
Approved Credits (attach email approval) or Balances Due (attach statement). Enter as a negative amount.	7	
TOTAL DUE After Adjustments	8	\$ 0.00

WSLCB USE ONLY	Check No.	VL	Tax System
		PL	Tax System
	Check if late	RPT <input type="checkbox"/>	Payment <input type="checkbox"/>
	Amount Received	<input type="text"/>	
	Postmark Date	<input type="text"/>	

Revised May 2022

How to Apply for a Cannabis Tax Payment Waiver:

Requests for waivers must be sent in writing by email or USPS, along with copies of one of the following documents:

- Bank account application
- Bank account denial letter
- Bank account cancellation letter
- Other information that would support your inability to get a bank account

Your documentation must be dated within the last 90 days and, if from a bank / credit union, include their name and address. Waiver requests can be by email or mailed.

Waiver requests take a minimum of three business days to process. Waiver requests received on the tax due date will be processed after the tax due date.

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.

Relevant Laws and Rules:

[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.