



Mitigation and destination-based sales tax

What is offset revenue?

Offset revenue is made up of two components, *voluntary compliance revenue* and *marketplace facilitator/remote seller revenue*.

Voluntary compliance revenue

Voluntary compliance revenue is the local sales tax revenue gain to each local taxing jurisdiction reported to the Department of Revenue by sellers in other states who voluntarily collect sales tax in Washington. These sellers are registered through the Streamlined Sales and Use Tax Agreement (SSUTA).

Unique tax registration number

When voluntary sellers register through SSUTA, they receive a unique tax registration number from the Department of Revenue. This unique number allows the department to accurately track these revenues separately from other retail sales tax. For these sellers, the Department of Revenue will use **actual** voluntary compliance revenue collections when calculating gains.

Merged accounts

Sellers who have an affiliate company with nexus in Washington State may choose to merge with their affiliate rather than use a unique tax registration number for the purpose of reporting. These sellers may report their sales on their affiliate's account instead of through a unique account. For these sellers, the Department of Revenue will use **estimated** voluntary compliance revenue collections when calculating gains.

Marketplace facilitator/remote seller revenue

Marketplace facilitator/remote seller revenue is the local sales/use tax revenue gain to each local taxing jurisdiction reported to or determined by the Department of sales made into Washington after [January 1, 2018](#) from out-of-state businesses *without* physical presence in the state. This does not include voluntary compliance revenue from out-of-state businesses registered through SSUTA.

Marketplace facilitator revenue

Marketplace facilitators are identified during the business registration process, so that their revenue can be properly attributed. This revenue includes facilitated sales (sales made through a marketplace), as well as sellers who file and use the "Collected by Facilitator" deduction. The Department uses **estimated** revenue when calculating gains in order to remove reported revenue from in-state sellers using a Marketplace.

Remote seller revenue

Remote sellers are identified during the registration process, so that their revenue can be properly attributed. These sales are from sellers without *physical presence* who make sales into Washington. The Department uses **actual** sales revenue when calculating gains.