

**City of Gig Harbor  
Public Safety Tax  
Car Dealers and Leasing Companies  
Effective January 1, 2025**

**Effective January 1, 2025**, sales and use tax within the City of Gig Harbor will increase one-tenth of one percent (.001). The tax will be used for fire protection and public safety purposes.

Businesses must collect the appropriate new rate of sales tax for retail sales and services provided within the City of Gig Harbor. Persons or businesses within the City of Gig Harbor will be subject to the new rate of use tax on items purchased for their personal or business use if sales tax has not been paid.

**Special Reporting Instructions for Sales or Leases of Motor Vehicles:**

Businesses that report sales or leases of motor vehicles (for up to the first 36 months of the lease) will need to report using the following location code and tax rate. After the first 36 months of motor vehicle leases, the original city code should be used.

<b>Location</b>	<b>Location Code</b>	<b>Local Sales Tax Rate</b>	<b>State Sales Tax Rate</b>	<b>Total Sales Tax Rate</b>
<b>Gig Harbor MVET*</b>	<b>2758</b>	<b>.025</b>	<b>.065</b>	<b>.090</b>
<b>Gig Harbor HBZ MVET*</b>	<b>2798</b>	<b>.025</b>	<b>.065</b>	<b>.090</b>

**Reporting Instructions for Retail Sales:**

Businesses that report retail sales (other than sales or leases of motor vehicles) will need to report using the following location codes and tax rates:

<b>Location</b>	<b>Location Code</b>	<b>Local Sales Tax Rate</b>	<b>State Sales Tax Rate</b>	<b>Total Sales Tax Rate</b>
<b>Gig Harbor*</b>	<b>2708</b>	<b>.026</b>	<b>.065</b>	<b>.091</b>
<b>Gig Harbor HBZ*</b>	<b>2788</b>	<b>.026</b>	<b>.065</b>	<b>.091</b>

\*In addition to the .001 Public Safety tax, the City of Gig Harbor has imposed the Transportation Benefit District tax on January 1, 2025 for a total rate increase of .002.

*Continued...*

Below is an example of how to report local retail sales tax on your excise tax return assuming sales of motor vehicles total \$50,000 and repairs total \$10,000 in the City of Gig Harbor.

Location Code	Taxable Amount		Local Rate	Tax Due City or Co.	
2708	10,000	00	.026	260	00
2758	50,000	00	.025	1,250	00
TOTAL TAXABLE	60,000	00	TOTAL	1,510	00

  

Tax Classification	Taxable Amount		Rate	Tax Due	
Motor Vehicle Sales/Leases	50,000	00	.003	150	00

**New sales tax applies i.e. service and parts.**

**Represents only motor vehicle sales.**

The three-tenths of one percent (.003) Motor Vehicle Sales/Lease applies to the sale, lease, or rental of motor vehicles.

To determine the proper codes and rates of local sales tax you may access our Tax Rate Lookup Tool located at [dor.wa.gov/TaxRateLookup](http://dor.wa.gov/TaxRateLookup).

This notice is being sent to businesses that have reported local sales or use tax to any of the above location codes within the last year.

If you have questions, or if Sales Tax Collection Schedules are needed, please go to our web site at [dor.wa.gov](http://dor.wa.gov) or call the Department of Revenue at 360-705-6705.

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State of Washington  
 Taxpayer Account Administration  
 PO Box 47476  
 Olympia WA 98504-7476

For tax assistance or to request this document in an alternate format, please call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711.