

# SPECIAL NOTICE

June 16, 2005

For further information contact:

Telephone Information Center  
1-800-647-7706 or (360) 705-6676

Alternate Formats (360) 705-6715  
Teletype 1-800-451-7985

## Litter Tax Exemptions for Prepared Food and Beverages

Substitute House Bill (SHB) 1887, Chapter 289, Laws of 2005, provides litter tax exemptions for sales of prepared food and beverages by food preparers such as restaurants and caterers. The bill also clarifies the litter tax exemption for food and beverages sold solely for consumption indoors on the seller's premises. The bill becomes **effective July 24, 2005**.

### Meals Served on Restaurant Premises

#### *Exempt Sales:*

- ◆ Prepared food and beverages consumed indoors at the seller's place of business or outdoors on a deck or patio at the seller's place of business are exempt from litter tax.
- ◆ Prepared food and beverages consumed indoors at an eating area that is contiguous to the seller's place of business are exempt from litter tax. For example, the sale of a meal by a fast food restaurant located in a food court is exempt from litter tax if the customer consumes the meal at the indoor eating area of the food court.

#### *Taxable Sales:*

Prepared food and beverages such as take-out, to-go and carry-out sales where the prepared food and beverages will be eaten away from the seller's place of business (or contiguous place) are subject to litter tax.

### Meals Served at Location Designated by Customer – Catered Meals/Events

#### *Exempt Sales:*

Prepared food and beverages sold in or on reusable dishes, eating utensils and cups at premises occupied or designated by the customer are exempt from litter tax. For instance, a catered meal for wedding party is exempt from litter tax if the meal is served on or with reusable dishes and eating utensils.

#### *Taxable Sales:*

Catered meals and beverages served with disposable plates, forks, spoons, cups, etc. are subject to the litter tax.

### For More Information

If you have questions, contact the Telephone Information Center at 1-800-647-7706.

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.

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**Important Information on  
Litter Tax Exemptions for Prepared Food and Beverages  
Enclosed**



Washington State Department of Revenue