

Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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Deductions in Excess of Income

What procedure should be followed by taxpayers when deductions on an excise tax return for a particular reporting period exceed gross income for that same period?

When deductions for a tax reporting period exceed gross income for that same period it is proper to carry the unused deduction over to the next reporting period. This may be accomplished by reporting the same amount of deductions as gross income in the period that the negative balance occurs and then increasing the subsequent period's deduction by the minus taxable amount previously accrued.

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