

Seattle Rule 5-810

Publishers of newspapers, magazines, and periodicals.

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(1) Definitions.

(a) "Newspaper" means a publication of general circulation bearing a title, issued regularly at stated intervals of at least once every two weeks, and formed of printed paper sheets without substantial binding. It must be of general interest, containing information of current events. It shall include school newspapers, regardless of the frequency of publication, where such newspapers are distributed regularly to a paid subscription list. "Newspaper" does not include publications devoted solely to a specialized field.

(b) Newspaper shall include "supplements." "Supplements" mean printed publications, including a magazine or advertising sections that are:

(i) Labeled and identified as part of the printed newspaper; and

(ii) Circulated or distributed:

(A) As an insert or attachment to the printed newspaper; or

(B) Separate and apart from the printed newspaper so long as the distribution is within the general circulation area of the newspaper.

Supplements will only be considered as part of a newspaper when the newspaper is printed on paper sheets. No online or electronically formatted supplements will be considered as part of a newspaper.

(c) Newspaper shall also include an electronic version of a printed newspaper that:

(i) Shares content with the printed newspaper; and

(ii) Is prominently identified by the same name as the printed newspaper or otherwise conspicuously indicates that it is a complement to the printed newspaper.

(d) "Magazine or periodical" means any printed publication, other than a newspaper, issued and offered for sale regularly at stated intervals at least once every three (3) months, including any supplement or special edition of the publication. Any publication meeting this definition qualifies regardless of its content.

(2) Business License Tax.

(a) Publishers of newspapers, magazines and periodicals, whether or not they print the same, are taxable under the printing and publishing classification upon the gross income derived from the publishing business, includes amounts received from the sale of the newspapers, magazines and periodicals, and any advertising revenues received.

(b) Persons who both print and publish books, music, circulars, etc., or any other printed item, are likewise taxable under the printing and publishing classification. However, persons, other than publishers of newspapers, magazines or periodicals, who publish such things and do not print the same, are taxable under either the wholesaling or retailing classification, measured by gross sales of such items, and taxable under the service classification, measured by the gross income received from advertising.

(c) Gross income from online newspaper, magazine and periodical subscriptions that entitle the subscriber to view just the online version of the printed newspaper, magazine, or periodical will be taxed under the printing and publishing classification. However; online subscriptions that allow subscribers access to additional online features in addition to the printed version of the newspaper, magazine or periodical will be taxed under the service and other classification."

(3) Sales to publishers of newspapers, magazines, periodicals.

(a) Sales of paper and printers ink which become a part of the publications sold, and sales by printers of printed publications to publishers for sale, are sales for resale and are subject to wholesaling tax.

(b) Sales of equipment and of supplies and materials which do not become a part of the finished publication which is sold are subject to the retailing tax. This includes, among others, sales of engravings, fuel, furniture, lubricants, machinery, negatives and plates used in offset printing, photograph, stationery, and writing ink.

(c) Sales of engravings to publishers are subject to the retailing tax unless the publisher resells such engravings without intervening use.

(d) Sales of baseball bats, bicycles, dolls and other articles of tangible personal property which are to be distributed by the publisher as gifts, premiums or prizes are sales for consumption and subject to the retailing tax.

(e) So-called "sales" by authors and artists to publishers of the right to publish scripts, paintings, illustrations and cartoons are mere licenses to use, not sales of tangible personal property and, therefore, are subject to the service classification.

(4) Printing and Publishing-published items sent out of the city for use elsewhere. Persons engaged in publishing activities in this City and who transfer or deliver materials or articles produced or published to points outside of Seattle are subject to business license tax under the Printing and Publishing classification. The tax is measured by the value of products as determined by the selling price. See Seattle Rule 5-044 Value of products.

(5) Allocation and Apportionment of Printing and Publishing gross income after January 1, 2008. Pursuant to RCW 35.102.150 a person engaged in the activities of printing and publishing newspapers, periodicals, or magazines shall allocate their gross income from such activities to the principal place in this state from which the taxpayer's business is directed or managed. This includes gross income received from subscriptions and wholesale sales of newspapers, periodicals, and magazines.

Effective: January, 2009

DIRECTOR'S CERTIFICATION

I, Dwight Dively, Finance Director of the City of Seattle, do hereby certify under penalty of perjury of law, that the within and foregoing is a true and correct copy as adopted by the City of Seattle, Department of Executive Administration.

DATED this ____ day of January, 2009.

CITY OF SEATTLE,

a Washington municipality

By: _____

Dwight Dively, Director

Finance Department

Jan 23, 2009