

Amendment 1 Version 1 to CB 121028 – B&O Tax ORD

Sponsor: Councilmember Rinck

Technical correction to standard deduction

Effect: This amendment would revise the description of the \$2 million standard deduction. Based on input from the Office of City Finance, this technical change will facilitate taxpayer compliance by clarifying the deduction amount.

Amend Section 3 of CB 121028 as follows:

Section 3. Subject to and contingent upon approval of the qualified voters of the City, Section 5.45.100 of the Seattle Municipal Code, last amended by Ordinance 124089, is amended as follows:

5.45.100 Deductions.

In computing the license fee or tax, the following may be deducted from the measure of tax:

* * *

W. Standard deduction. In computing tax, there may be deducted from the measure of the tax an amount equal to the tax threshold amount defined in subsection 5.55.040.D.3 taxpayers may deduct \$2 million from the measure of the tax. Taxpayers reporting multiple business activity types may choose the business activities to which they apply the standard deduction. This deduction is available to taxpayers for tax years beginning January 1, 2026.