

PO BOX 724 • COLFAX, WA 99111
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2022 Business & Occupation or Public Utility Tax Incentive Program Q & A

How does this program make a difference? The Colfax Downtown Association is a designated Washington Main Street Program. As a part of that program, we are eligible to offer Wa State businesses the opportunity to participate in this Wa State Tax Incentive Program. Your B & O or PU taxes can be donated to our organization and stay in our community instead of the government allocating your taxes for you. By pledging your B & O or PU taxes to us, you help us provide Colfax with resources and live out our mission and goals. Additionally, it helps our organization to be able to fund many revitalization projects within our downtown corridor & on Main Street. Through B & O or PU tax pledges, we have offered many storefront facade grants to our local business & building owners, amongst other fabulous downtown projects and events.

You're already paying Business & Occupation (B&O) or Public Utility (PU) taxes. So why not make these tax dollars work for you and play a key role in assisting us in our mission to revitalize our Main st and make downtown Colfax thrive to its full potential? We think you'll get some peace of mind knowing your tax dollars are being used to transform our historic downtown community and ensure additional support and success for our organization to thrive to the best of our ability!

The Program - The Wa State Main Street Tax Incentive Program provides a Business and Occupation (B&O) or Public Utility tax (PUT) credit for private contributions given to eligible Wa Main St. Organizations, such as ours. Once DOR approves your donation pledge, you can pay your balance. In addition, you qualify for a tax credit worth 75% of your contribution made to our Organization that is credited back to you in mid-Jan of the following year to use towards B&O or PU that you'll owe. Only designated Washington Main Street communities can receive contributions through this state-approved tax credit program. Furthermore, as the Colfax Downtown Association is a 501(c)3 Non-Profit Organization, you'd be eligible for a federal income tax deduction as a charitable contribution to a Non-Profit Organization.

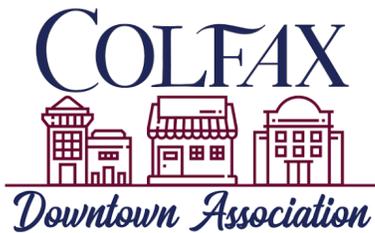
Example of the 75% Credit you'll receive - \$1000 donation pledge paid by Nov 10th, 2022 will equal \$750 in a B & O or PU tax credit reflected for your use in mid-January 2023. In addition, you can also receive a 2022 tax deduction for the charitable donation you made to the Colfax Downtown Association.

How do I register to participate? First, businesses must be registered to file their excise tax electronically. Then, your business must submit your donation request from your DOR account @ Dor.wa.gov. Don't worry; the process is relatively quick and straightforward, and we have included excellent step-by-step instructions. We're happy to help if you need additional assistance.

How many Wa Main St communities are there in Eastern Washington? The short answer is two. Colfax and Colville are the only designated Washington Main St communities currently participating in Eastern Washington that can offer your business this tax credit opportunity.

It feels like I'm paying my B&O or PU taxes twice. We hear this statement a lot, and it just depends on how you want to look at it. In the first year of participating in this program, you are pre-paying your B&O or PU taxes. However, if you pay them by the Nov. deadline, that 75% credit comes back to you within two months. And if you choose to participate in the following years, you won't have to be putting that money upfront twice because you'll have credits from the previous years to use towards your B&O or PU taxes owed.

Working Together to Build a Better Community



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Does my donation have to be paid in full upon pledging? The answer is no! Your contribution pledge must be made by March 31st, 2022, on your DOR account, but you do not have to have the balance paid in full until November 10th, 2022. However, a business that does not pay the total approved pledge amount by Nov. 10th forfeits all approved credits for the contributions. Those credits will be made available to new applicants. If a business can't make the total contribution pledge, they must contact the Department of Revenue's Taxpayer Account Administration Division @ (360) 705-6214 or Linda Tran at (360) 705- 6047.

Example - You pay your pledge donation in full by November 10th of 2022, and your credits will be available for your use in Mid-January of 2023. If you did not use all of your credits in Q1, what's left of your credits are available to use throughout that calendar year but will not be rolled over to the following year. Please note that 2022 Q4 taxes will not be eligible for the use of the remaining credits if you pay those in January of the following calendar year.

Does my business need to reapply for the tax credit each year? Yes, each applicant has to reapply annually. Each applicant will need to apply no later than 5 pm on March 31st to participate and receive available credits each year.

Can any business in Washington State pledge & donate their B & O taxes? We are thrilled to report that any Washington State business that pays B & O or PU taxes can choose to participate & pledge their B & O or PU taxes to the Colfax Downtown Association! Something to note is that your community may not be a designated Washington Main St community. Unfortunately, you can not direct this money to your community if that's the case. However, you can still pledge your B&O or PU tax dollars to our organization and take advantage of this fantastic opportunity!

How much should I donate? You can donate however much you desire, and there is no minimum dollar amount required to participate in this program. However, we think it's best practice to go back and see how much B&O or PU taxes you've paid on average for the last few calendar years so that you're not over donating and aren't able to use all of the credits you'll receive.

Where do I send my donation? Address donation check(s) to Colfax Downtown Association and mail to PO Box 724 Colfax, WA 99111. if possible, please memo your check with B&O or PU tax payment. You can also arrange a time with our Executive Director, Whitney Bond, to personally pick up payment(s) from your office if you're local.

Important dates to remember. You need to submit your pledge on your DOR account by **5 pm on March 31st, 2022**. Your pledge balance needs to be paid in full by **5 pm on Nov 10th, 2022**. Credits will reflect in mid-Jan of the following calendar year.

Would you like to learn more about our organization or see the improvements we've made? That's great news! You can follow us on FB or Instagram @colfaxdowntown or visit our website @ Colfaxdowntownassociation.com. Our Executive Director would also be happy to set up a meeting with you if you'd like.

Have Questions or need additional assistance? Please contact our Executive Director, Whitney Bond, via email at Colfaxdowntown@gmail.com or by phone at (509) 288-9063. If you reach her during non-business hours, please leave a detailed message, and she will get back to you as soon as possible. If you need a question answered immediately, please call or text Whitney on her personal cell at (541) 670-0200. Thank you!

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