

City of Seattle Levies Tax for “Employee Hours” in the City.

Effective July 1, 2007, employers in Seattle who make more than \$50,000 year and have more than three employees will have to pay an Employee Hours Tax. The tax is based on the number of employee work hours performed within the Seattle city limits, not including vacation and sick hours. Deductions can be taken for all hours worked by employees who commute at least 80% of the time by means other than single occupancy vehicles. The rate of the tax is .01302 per employee hour, or an alternative amount of \$25 per employee (pro-rated to \$12.50 for 2007).

For details visit <http://www.seattle.gov/rca/taxes/EmployeeHoursTax.htm>.

If you have any additional questions or require further explanation, please do not hesitate to contact us at 206.622.1326.

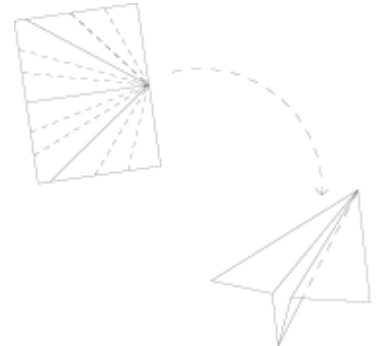
CLOTHIER & HEAD^{PS}

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