

**City of Burien**  
**Instructions for Service Income Apportionment Worksheet**  
**Tax Periods Beginning January 1, 2020\***

\*Instructions for prior tax periods can be found at [burienwa.gov](http://burienwa.gov)

**I. Apportionable Gross Service Receipts**

**Line 1:** Total Gross Receipts. Enter the total gross service receipts for your business.

**Line 2:** Deductions. Enter the allowable deductions from Schedule A Deductions.

**Line 3:** Apportionable Service Receipts. Subtract line 2 from line 1.

**II. Payroll Factor**

**Line 4:** Payroll Factor Numerator Enter the total payroll Burien. Your total payroll in Burien is the sum of :

- a) Total payroll for employee(s) whose assigned office or workstation is located within Burien;
- b) Total payroll for employee(s) who are not primarily assigned to any place of business for the tax period and that individual performs 50% or more of their service for the tax period in Burien; and
- c) Total payroll for employee(s) not primarily assigned to any place of business for the tax period, and the individual does not perform 50% or more of their service in any city, but that person resides in Burien.

**Line 5:** Payroll Factor Denominator. Enter total payroll for all employees.

**Line 6:** Payroll Factor – Divide line 4 by the amount in line 5. (If the business has no employees, then there is no payroll factor. If there are no employees within the city but there are employees elsewhere, then the payroll factor is zero for the Burien.)

**III. Service-Income Factor**

**Line 7:** Enter the total service gross receipts if the “customer location” is in Burien. “Customer location” means:

1. For a customer not engaged in business:
  - a. If the service requires the customer to be physically present, where the service is performed.
  - b. If the service does not require the customer to be physically present:
    - i. The customer's residence; or
    - ii. The customer's billing/ mailing address if the customer's residence is not known.
2. For a customer engaged in business:
  - a. Where the services are ordered from;
  - b. At the customer's billing/ mailing address if the location from which services are ordered is not known;  
or
  - c. At the customer's commercial domicile if none of the above are known.

**Line 8:** Enter total service receipts less any apportionable gross income in which some of the activity is performed in Burien and the taxpayer is “not taxable” in the City of County of the customer location. (If there is no income excluded from the denominator, Line 1 will be the same as Line 8. If there is income excluded from the denominator, Line 8 will be less than Line 1).

“Not taxable” means that the taxpayer is not subject to a business tax by that jurisdiction, except that a taxpayer is taxable in a City or County in which it would be deemed to have a substantial nexus under the standards in RCW 35.102.050 regardless of whether or not that City of County imposes a business activities tax.

**Line 9:** Service Income Factor. Divide Line 7 by the amount in Line 8. This is the income factor percentage.

**IV. Taxable Service Receipts**

**Line 10:** Total Apportionment Factor. Add the Payroll Factor (Line 6) and the Income Factor (Line 9).

**Line 11:** Percentage of Service Income Apportioned to Burien. Divide line 10 by 2. (If the business has no employees, the Total Apportionment Factor is divided by 1).

**Line 12:** Burien Taxable Service Receipts. Multiply line 3 by line 11. This is your City of Burien taxable service receipts. Also enter this amount on line 6 Service & Other Apportioned column B taxable income of the tax return.

Date	Reporting Period	Business License #

**Service Income Apportionment Worksheet  
City of Burien**

**Businesses reporting service income: attach to tax return and mail to:**

City of Burien  
400 SW 152nd St Suite 300  
Burien WA 98166

**I. Calculate Apportionable Gross Service Receipt**

Enter total gross service receipts	1		
Enter Deductible service gross receipts	2		
Total <b>Apportionable service receipts</b> (subtract line 2 from line 1)		3	

**II. Calculate Payroll Factor**

Enter the City of Burien payroll compensation for the following employees:	Payroll Costs
a. Total payroll for employee(s) whose assigned office or work station is located within Burien;	
b. Total payroll for employee(s) who are not primarily assigned to any place of business for the tax period and that individual performs fifty percent (50%) or more of their service for the tax period in Burien; and	
c. Total payroll for employee(s) not primarily assigned to any place of business for the tax period, and the individual does not perform fifty percent (50%) or more of their service in any city, but that person resides in Burien.	
d. Total Burien payroll (add lines, a, b, and c) Enter here AND on line 4 below	

Payroll Factor Numerator. Enter amount from Line d above	4		
Payroll Factor Denominator. Enter total payroll costs	5		
Enter <b>Payroll factor</b> (divide line 4 by line 5)		6	

**III. Calculate Service Income Factor**

Enter total Burien service gross receipts if the customer location is in Burien	7		
Enter total gross service receipts (same as amount on line 1)	8		
Enter <b>Service income factor</b> (divide line 7 by 8) enter amount on this line		9	

**IV. Calculate Burien Taxable Service Receipts**

Enter <b>Total apportionment factor</b> (add lines 6 and 9)	10		
Divide line 10 by the number 2 enter amount on this line*	11		
<b>Enter Burien taxable service receipts</b> (multiply line 3 by line 11) enter amount on this line AND on your Tax Return line 6 (Service & Other Apportioned) column B (Gross Amount).		12	

\*If a business has no employees in any location, such as a sole proprietorship without any employees, then the payroll factor is zero and the apportionment reverts to a single factor formula using the service factor only. In this case divide the service factor by 1.

**What is the Service Apportionment Supplemental Form?** A worksheet that uses a two-factor formula to determine how income taxable under the City's service and other B&O tax classification is apportioned between multiple locations when a taxpayer is engaging in business in more than one location.

**Who should complete the apportionment worksheet?** Only those taxpayers that earn gross receipts from activities subject to the City's service and other B&O tax classification and which have a taxable presence in more than one jurisdiction.