The Washington State Department of Revenue is offering a temporary Penalty and Interest Relief Program under Engrossed House Bill (EHB) 2487 to help eligible businesses come into compliance with Washington tax laws.

The businesses most likely affected are affiliates of insurance companies or third parties paid by them, not insurance companies themselves. Most of these businesses previously claimed an exemption available only to insurance companies.

Benefits of this relief program

This temporary relief program may offer businesses the following benefits:

- Waiver of penalties and interest on B&O taxes due for periods between **Oct. 2, 2019, and March 31, 2026**.
- A multi-year tax repayment program.
- The department will summarize the unreported tax liability in a single tax assessment.

Important: This program only waives penalties and interest. Businesses must still pay the tax owed.

Who qualifies?

Businesses may qualify if they:

- Have unreported income as a result of taking the exemption under either RCW 82.04.320 or 82.04.322 (or both) on gross income not subject to insurance premiums tax under chapter 48.14 or 48.15 RCW.
- Submit an application for penalty and interest relief by **Dec. 31, 2026.**

Note: Both registered and unregistered businesses are eligible for this program.

How to apply

Businesses can apply for this program through the department's online application. Applicants should make sure to select Yes in answering *"Are you applying for penalty and interest relief for B&O tax changes related to insurers in EHB 2487 (2026)?"* Also make sure to enter the UBI/Account ID number when prompted.

To learn more about the application process, including what happens after you apply and what to expect next, visit our EHB 2487 Penalty and Interest Relief webpage.

Questions?

Questions about the relief program can be sent to voluntarydisclosure@dor.wa.gov. If you have a specific question regarding taxability of your transactions, please request a tax ruling online or by email at rulings@dor.wa.gov.