



City of Oak Harbor Business and Occupation (B&O) Tax Return - Schedule B

Washington UBI Number	City of Oak Harbor Account Number	Tax Reporting Period (Quarter / Year)	Due Date

Itemized Deductions:

Line No.	Tax Classification	Column 2 Deliveries Outside of Oak Harbor	Column 3 Returns / Cash Discounts*	Column 4 Credit Losses (Bad Debts)	Column 5 Other**	Column 6 Total Deductions
1-ID	Retailing					
2-ID	Retail Service					
3-ID	Wholesaling					
4-ID	Manufacturing					
5-ID	Extracting					
6-ID	Printing or Publishing					
7-ID	Processing for Hire or Extracting for Hire					
8-ID	Service and Other Activities					
9-ID	Service and Other Activities (Apportioned)					
10-ID	Total					

*Cash discounts may not be deducted from the value of products subject to the manufacturing or extracting tax classifications.

Total Deductions per Tax Classification may not exceed the applicable Gross Amounts per Tax Classification in B&O Tax Return Column 2, Lines 2 through 9 and, for Service and Other Activities (Apportioned), Schedule A , Line 1a.

**Explanation of other deductions:

11	Threshold Deduction. Enter \$4,000,000 if tax reporting period is annual, enter \$1,000,000 if quarterly -> ->	
----	--	--

If Column 6, Line 10-ID is greater than Column 6, Line 11, use the figures in the table above for B&O deductions per Tax Classification.

If Column 6, Line 10-ID is less than Column 6, Line 11 continue below, and use the figures below for B&O deductions per Tax Classification.

Threshold Deduction: You may use up to the amount in Column 6, Line 11 to apply a Threshold Deduction to the Tax Classifications below. The Total in Line10-TD, Column 2 may not exceed the Threshold Deduction amount in Column 6, Line 11.

Threshold Deductions:

Line No.	Tax Classification	Column 2 Threshold Deduction
1-TD	Retailing	
2-TD	Retail Service	
3-TD	Wholesaling	
4-TD	Manufacturing	
5-TD	Extracting	
6-TD	Printing or Publishing	
7-TD	Processing for Hire or Extracting for Hire	
8-TD	Service and Other Activities	
9-TD	Service and Other Activities (Apportioned)	
10-TD	Total	

The amounts per Tax Classification in Column 2, Lines 1-TD through 9-TD may not exceed the applicable Gross Amounts per Tax Classification in B&O Tax Return Column 2, Lines 2 through 9 and, for Service and Other Activities (Apportioned), Schedule A , Line 1a

Instructions for Schedule B – Deduction Detail

For each tax classification, enter either the total deductions from the Tax Classifications from Column 6, Lines 1-ID through 8-ID or the threshold deductions from the Tax Classifications from Column 2, Lines 1-TD through 8-TD on the B&O tax return in Column 3, Lines 2 through 9. If the Service and Other Activities (Apportioned) Tax Classification is used, enter the amount in either Column 6, Line 9-ID or Column 2, Line 9-TD on Schedule A Line 1b.

Only the most common deductions have been listed on this schedule. For additional allowable deductions, refer to Oak Harbor Municipal Code (OHMC) 3.98.100

Any deductions not specifically listed should be entered in the 'Other' deduction category with an explanation in the space provided; deductions without explanation will be disallowed.

Deliveries Outside of Oak Harbor: This deduction applies only to the Retailing, Wholesaling, and Retail Service classifications. Deductions may be claimed for the sale, lease, or rental of tangible personal property delivered to the buyer or buyer's representative outside of Oak Harbor, and for retail or wholesale services performed outside of Oak Harbor.

Returns & Cash Discounts: A deduction may be claimed from the measure of tax if the buyer returns purchased goods within the guaranty period for a refund or credit, or if the seller grants cash discounts from the selling price.

*Cash discounts may not be deducted from the value of products subject to manufacturing or extracting tax.

Bad Debts/Credit Losses: In computing the gross receipts tax, taxpayers whose regular books of account are kept on an accrual basis may claim a deduction for the amount of bad debts/credit losses actually sustained by the taxpayer.

Other: Other deductions are outlined in OHMC 3.98.100. Explain the deduction(s) in the space provided. If multiple types of deductions are included in this category, provide the amount and description for each. Attach additional sheets if needed.