



# This Week in State Tax (TWIST)

August 4, 2025



## Washington: Significant sales tax changes take effect October 1

The Washington Department of Revenue has begun the process of issuing taxpayer [guidance](#) regarding services that will become subject to retail sales tax on October 1, 2025 per the terms of Enrolled Substitute Senate bill 5814 passed earlier this year. The new taxable services include information technology training, technical support, and related services, custom website development services, investigation, security, and armored car services, temporary staffing services, advertising services, live presentations, sales of custom software and customization of prewritten software, along with certain digital automated services. For a further description of these services, please see our [TWIST of May 25, 2025](#).

To assist taxpayers in navigating the expanded tax base, the Department will be developing and publishing further guidance and resources prior to October 1, with interim guidance expected in early September. In addition, the Department held multiple listening sessions in July for taxpayers to share their feedback regarding the changes, and this feedback will be compiled and published in early August. In addition, the Department has identified various issues that taxpayers may have with respect to each new service, such as determining the location of the sale for sourcing purposes, the scope of certain service definitions, and the potential impact of the use of electronic tools on the taxability of historically nontaxable professional services. As the Department continues to develop further guidance, taxpayers are encouraged to submit questions and comments by [email](#) to the Department. All information provided by the Department to this point, as well as a description of the guidance process and the questions they have identified, can be found on the [Department website](#). For more information and further developments, contact [Michele Baisler](#) and stay tuned to TWIST.

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