



## City of North Bend Square Footage B&O Tax

On May 17, 2016 the North Bend City Council adopted Ordinance No. 1587 which imposes a variable rate tax per square foot per quarter on businesses located in North Bend with 10,000 square feet or more of warehouse/distribution, industrial, and/or light manufacturing or research space, and for all self-storage facilities. Please see NBMC 5.04.050 "Exemption and Threshold" for more information. Taxable square footage is defined as total square feet of the building and/or facility and includes all floor space, including mezzanines and lofts, and space used by columns and projections.

The square footage tax is reported on the Square Footage B&O Tax Quarterly tax return form. If the square footage exceeds the below limits then the entire square footage is used in the calculation of the square footage tax. The variable tax rate is computed to the nearest square foot on all square feet of the building as follows:

First 25,000 square feet	0 - 25,000 sq. feet	\$0.15 per square foot
Second 25,000 square feet	25,001 – 50,000 sq. feet	\$0.10 per square foot
All square footage beyond 50,000	50,001 and over sq. feet	\$0.04 per square foot

If a business is subject to both the square footage tax and the gross receipts tax, then the amount of square footage tax due for the quarter shall be only the portion of square footage tax that **exceeds** the gross receipts tax due for the same quarterly period.

If a facility subject to the square footage tax is vacant during an entire quarterly period then the taxpayer may claim an exemption by filing a certificate of vacancy with the City for each quarter. A facility that is occupied for any portion of a quarter is required to remit the square footage tax for that quarter. A taxpayer may not claim an exemption for more than eight consecutive quarterly periods (two years).

B&O tax is payable quarterly on the following schedule:

<b>Quarter Ending</b>	<b>Payment Due</b>
Quarter 1 – March 31	April 30
Quarter 2 – June 30	July 31
Quarter 3 – September 30	October 31
Quarter 4 – December 31	January 31