

Tax exemption for sales to tribes

Fill out this form if you sell tangible personal property or services to tribal members, tribes, tribal enterprises, or a spouse of a tribal member with delivery in their Indian country.

In this form, a buyer is a tribal member, tribe, tribal enterprise, or a spouse of a tribal member who buys tangible personal property or services from you. If a buyer meets the criteria in Section 2 below, the buyer doesn't have to pay tax. A contractor for a tribe is also tax exempt on purchases that a seller/marketplace facilitator delivers to the worksite in that tribe's Indian country. The contractor also needs to use this form.

The buyer must show you proof that they meet the exemption criteria below. You must keep this form as proof that they meet the exemption criteria below.

Please note: Not all tax exemptions for sales to tribes are on this form. See the back side of this page for additional forms.

1 **Seller's/Marketplace facilitator's name:** _____ **UBI:** _____
Buyer's name: _____
Delivery address in Indian country: _____

Check one of the following. The buyer is:

- A member of the _____ Tribe.
- A spouse of a member of the _____ Tribe.
- A representative of the _____ Tribe or Tribal enterprise.
- You are hired by a buyer from the _____ Tribe or Tribal enterprise.

2 **The buyer must show you one of the criteria below. Check which criteria the buyer showed you.**

- Proof of tribal membership - tribal member card, certificate of membership, or treaty fishing identification card.
- Proof of spousal relationship to a tribal member and proof of their spouse's tribal membership.
- Documents that show the tribe is the buyer. Such as:
 - letter from tribal representative.
 - payment from the tribe or tribal enterprise (such as a copied check).
 - receipt or other proof of a buyer using a tribal credit card.
- Proof of the contractor relationship to the buyer and proof that the buyer is a tribal member, or they meet the definition of a buyer (see top of form for definition).
- Other documents that show the buyer's exempt status. Please explain here: _____

3

Check the box that applies to the correct tax exemption and fill in the appropriate section below:

- Retail sales/use tax:** If you are a seller/marketplace facilitator, you are not required to collect sales and use tax from a buyer when you deliver to their Indian country.

Date of sale: _____ Sales invoice # (optional): _____

Amount of sale: _____

- Refuse tax:** If you are a seller/marketplace facilitator, you are not required to collect refuse tax for services you provide to a buyer in their Indian country.

- Public utility tax:** If you are a seller/marketplace facilitator, you are not required to pay a public utility tax (PUT) for services you provide to a buyer in their Indian country.

- Telephone tax:** If you are a seller/marketplace facilitator, you are not required to collect telephone or enhanced 911 tax for telephone services you provide to a buyer in their Indian country.

- Other taxes the buyer owes such as lodging, car rental, etc.: _____

More Information

You can figure out if the delivery address is in Indian Country by following these steps:

1. Go to dor.wa.gov.
2. Click "Find a sales and use tax rate."
3. Type in the delivery address. If the address is located in Indian country, you will see "Indian Country" and the name of the Tribe at the bottom of the page.

To document other tax exemptions for buyers, please use the appropriate form below:

- **Vehicles sold by dealers:** [Declaration for a dealer selling a motor vehicle to tribes](#)
- **Vehicles sold by private parties:** [Private party selling a motor vehicle to tribes](#)
- **Treaty fishing related purchases:** [Treaty fishery exemption form](#).
- Wholesale purchases by businesses owned by tribal members, tribes, tribal enterprises, or a spouse of tribal member that only operates in their Indian country may use a state or tribal reseller permit or the [streamlined sales and use tax agreement "Certificate of Exemption"](#). (See [ETA 3203.2017 "Use of a tribal resale exemption certificate"](#)).

See exemptions—Nontaxable sales [RCW 82.08.0254](#) and Indians—Indian country WAC [458-20-192](#).

The state cannot tax Indians or Indian tribes in Indian country. In this rule, the term Indian includes only people enrolled with the tribe in the territory the activity takes place. This does not include Indians who are members of other tribes. In this rule, an enrolled member's spouse is considered an Indian if the term does not conflict with tribal law (See WAC [458-20-192\(5\)](#) for more information).

An *Indian* is a person on the tribal rolls of an Indian tribe. Other terms for Indian include: enrolled member, enrolled person, enrollee, or tribal citizen.

In some cases, you may also be eligible for a tax exemption (See WAC [458-20-192\(7\)\(b\)](#) for more information).

Questions?

- Call our phone center at 360-705-6705
- For tax assistance or to request this document in an alternate format, please call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711.



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

October 10, 2019

Mr. Ken Johnson, Director
State Regulatory Affairs
Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734

Dear Mr. Johnson:

The Utilities and Transportation Commission (commission) is conducting an investigation into the business practices of Puget Sound Energy (PSE) related to state tax exemptions of Washington state tribal members.

Under Washington state law, RCW 80.04.090, the commission has the authority to inspect the accounts, books, papers, and documents of any investor-owned electric or natural gas company doing business in this state.

In order to complete this investigation commission staff requires the following documents and information:

1. Please provide the company policy, if any, regarding how the company implements tax exemptions based on Native American tribal status.
2. Please state whether the company does require, or has ever required, a tribal member to resubmit a state tax exemption certificate – and if so, what are the circumstances that would require resubmission.
3. Please state how long the company retains a tribal member's state tax exemption certificate.
4. Please provide records that reflect the company's understanding of the Lummi Nation service territory, as well as the boundaries of the Lummi Nation. If the boundaries are not the same, please provide both sets of boundaries and explain why the boundaries are not the same.
5. Please provide a list of all customers who are Lummi Tribal members living within the Lummi Nation that have filed a public utility tax exemption certificate.

Mr. Ken Johnson
October 11, 2019
Page 2

Please provide all requested information no later than October 24, 2019, in electronic format using Microsoft Word for narrative documents and Excel for data. Extension requests may be granted on a case-by-case basis. A request for extension must be made in writing prior to the deadline and must include the reason for the extension.

The response should be directed to Jacque Hawkins-Jones, Compliance Investigations. Please include a copy of this letter with your response. If you have questions regarding this request, please contact Ms. Hawkins-Jones at (360) 664-1105 or Jacque.Hawkins-Jones@utc.wa.gov.

Sincerely,

Mark L. Johnson
Executive Director and Secretary

Attachment C

From: [Martin, Veronica](#)
To: [Hawkins-Jones, Jacque \(UTC\)](#)
Cc: [Piliaris, Jon](#)
Subject: RE: Responses to information requests in Docket U-190748
Date: Friday, November 15, 2019 3:28:09 PM
Attachments: [image003.jpg](#)
[190748 PSE Resp WUTC DR INFORMAL 006.docx](#)
[190748 PSE Resp WUTC DR INFORMAL 007.docx](#)
[190748 PSE Resp WUTC DR INFORMAL 008.docx](#)
[190748 PSE Resp WUTC DR INFORMAL 008 ATTACHMENT A \(C\).xlsx](#)

Good Afternoon Jacque,

Please see the attached responses to your additional information requests. Feel free to contact me directly with any questions.

Veronica Martin | Sr. Tariff Analyst
PUGET SOUND ENERGY
Office (425) 457-5624



From: Hawkins-Jones, Jacque (UTC) <jacque.hawkins-jones@utc.wa.gov>
Sent: Wednesday, October 30, 2019 8:54 AM
To: Piliaris, Jon <Jon.Piliaris@pse.com>
Subject: RE: Responses to information requests in Docket U-190748

CAUTION: This email originated from outside of the organization. Exercise extra caution when responding, opening attachments, and clicking links.

Good Morning Jon,

Thank you for providing the responses to our U-190748 requests.

I have a few follow-up questions and an additional request below.

1. In request No. 001, we asked for the company policy, if any, regarding how the company implements tax exemptions based on Native American tribal status. The response states, "PSE's exemption policy for Native Americans is part of Electric Schedule 081 and Natural Gas Schedule 001." For clarification purposes, does this mean that there is no separate internal company policy regarding how the company implements tax exemptions based on Native American tribal status and that PSE follows the tariff - Electric Schedule 081 and Natural Gas Schedule 001?

2. In PSE's response to request No. 002 it says that "Puget Sound Energy does not require resubmission unless the customer moves to another address within the tribal boundary."
 - a. How is the exemption noted in the billing system? Please provide a sample.
 - b. Would a service disconnect alter the customer's exemption status due to PSE's practice of assigning a new account number during reconnect?
3. **Request:** Please provide the monthly billing history for each Lummi Tribal member identified in PSE's response for request No. 005 - Attachment A that have filed state tax exemption certificates with the company. The timeframe for this request will be August 1, 2018 through August 31, 2019. Please provide itemized bills for each month, such that each individual charge included in a bill is identifiable for each month.

Please provide all requested information no later than close of business **November 15, 2019**, in electronic format using Microsoft Word for narrative documents and Excel for data. A request for extension must be made in writing prior to the deadline and must include the reason for the extension.

Feel free to contact me directly with any questions.
Thank you for your assistance in this matter.

Jacque Hawkins-Jones

(360) 664-1105

From: Piliaris, Jon [<mailto:Jon.Piliaris@pse.com>]
Sent: Sunday, October 20, 2019 8:04 PM
To: Hawkins-Jones, Jacque (UTC) <jacque.hawkins-jones@utc.wa.gov>
Subject: Responses to information requests in Docket U-190748

Hi Jacque,

I'm following up on the five information requests in a letter addressed to Ken Johnson from Mark Johnson, dated October 10th. Please find attached a list of responses to those information requests. Feel free to contact me directly with any follow up.

Jon Piliaris

*Puget Sound Energy
Rates & Regulatory Affairs (PSE-08N)
Phone 425-456-2142 (81-2142)
Fax 425-462-3414*

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UG-190784
Puget Sound Energy
State Tax Exemptions of WA State Tribal Members**

WUTC STAFF INFORMAL DATA REQUEST NO. 006

WUTC STAFF INFORMAL DATA REQUEST NO. 006:

In request No. 001, we asked for the company policy, if any, regarding how the company implements tax exemptions based on Native American tribal status. The response states, "PSE's exemption policy for Native Americans is part of Electric Schedule 081 and Natural Gas Schedule 001." For clarification purposes, does this mean that there is no separate internal company policy regarding how the company implements tax exemptions based on Native American tribal status and that PSE follows the tariff - Electric Schedule 081 and Natural Gas Schedule 001?

Response:

There is no separate company policy. PSE implements its Commission-approved tariff schedules via following business practice:

Per [WAC 458-20-192](#), income from the performance of services in Indian Country for tribes and tribal members is not subject to public utility tax. The utility company is responsible for maintaining suitable records so that the utility company and Department of Revenue can distinguish between taxable and non-taxable activities.

Per [Electric Schedule 81](#) and [Gas Schedule 001](#), to receive the Washington State public utility excise tax credit, eligible customers must provide PSE with a [Public Utility Tax Exemption form](#), for each service address. Upon receipt of the required information, billing statements going forward will reflect the credit.

IMPORTANT:

- Tribal members are only exempt from State Utility Tax, not City Utility Tax. The exception to this is the City of Fife
- If the customer is claiming they are exempt from City Utility Tax and they are not located in the City of Fife, advise the customer to email TribalTaxExemptions@pse.com with this information
- If the customer is unwilling to email themselves, gather the customer's information and send the email on their behalf

If the customer has a completed Tribal Tax Exempt form, they can either email the completed form to TribalTaxExemptions@pse.com or mail it to:

Puget Sound Energy
Attn: Regional Structure Department EST-07
PO Box 97034
Bellevue, WA 98009-9734

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UG-190784
Puget Sound Energy
State Tax Exemptions of WA State Tribal Members**

WUTC STAFF INFORMAL DATA REQUEST NO. 007

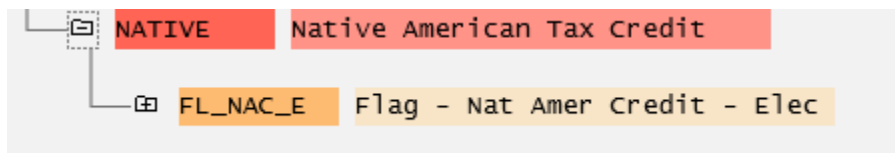
WUTC STAFF INFORMAL DATA REQUEST NO. 007:

In PSE's response to request No. 002 it says that "Puget Sound Energy does not require resubmission unless the customer moves to another address within the tribal boundary."

- a. How is the exemption noted in the billing system? Please provide a sample.
- b. Would a service disconnect alter the customer's exemption status due to PSE's practice of assigning a new account number during reconnect?

Response:

- a. The exemption is noted in the billing system via a flag on the customer's account. This is how the flag appears in the system:



- b. A service disconnect would not alter the customer's exemption status. The exemption flag in the billing system is not linked specifically to that customer or account number, but to the location where the customer receives the tax exemption.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UG-190784
Puget Sound Energy
State Tax Exemptions of WA State Tribal Members**

WUTC STAFF INFORMAL DATA REQUEST NO. 008

“CONFIDENTIAL” Table of Contents

DR NO.	“CONFIDENTIAL” Material
008	Shaded information is designated as CONFIDENTIAL per WAC 480-07-160 as marked in Puget Sound Energy’s Response to WUTC Staff Data Request No. 008 Attachment A

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UG-190784
Puget Sound Energy
State Tax Exemptions of WA State Tribal Members**

WUTC STAFF INFORMAL DATA REQUEST NO. 008:

Request: Please provide the monthly billing history for each Lummi Tribal member identified in PSE's response for request No. 005 - Attachment A that have filed state tax exemption certificates with the company. The timeframe for this request will be August 1, 2018 through August 31, 2019. Please provide itemized bills for each month, such that each individual charge included in a bill is identifiable for each month.

Response:

Please see Attachment A to Puget Sound Energy ("PSE") Response to WUTC Staff Informal Data Request NO. 008 for an itemization of bills for each month for the timeframe of August 1, 2018 through August 31, 2019 for each Lummi Tribal member identified in PSE's response for request NO 005 – Attachment A. Customers are either billed monthly or bi-monthly.

Attachment D

94th Revision of Sheet No. 81
Canceling 93rd Revision
of Sheet No. 81

WN U-60

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JUL 31, 2020
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ORIGINAL

200713

PUGET SOUND ENERGY Electric Tariff G

SCHEDULE 81 TAX ADJUSTMENT

1. **APPLICABILITY:** The adjustments contained in this schedule apply to: all charges pursuant to this tariff; to any other rate or charge upon which a tax is applicable within the jurisdiction with a taxing authority imposing a tax listed below; or by contract for service to which a tax is applicable within the jurisdiction imposing a tax, as provided in General Provision 3 of Schedule 80 included in this tariff.
2. **TAX ADJUSTMENT:** The rates and charges named in this tariff, or any other rate or charge upon which a tax is assessed, shall be proportionately increased or decreased by an adjustment equivalent to the amount of the tax, tax refund, assessment, or other charge imposed by the jurisdiction and effective as listed below plus, where applicable, the effect of state utility tax, annual filing fee, credit losses, and local taxes plus assessments and interest. In no event shall the Company be entitled to recover any amounts assessed by the taxing jurisdiction that are punitive in nature.

a. **RATES:**

Where Applied	City Ord. No.	Rate Eff. Date	City Ord. Rate	Effect of Tax Rate	Limitations	Exclusions
Algona	612	1-1-89	6 %	6.672 %		
Anacortes	1890	1-1-87	6 %	6.672 %		
Auburn	6170	7-1-08	6 %	6.672 %		
Bainbridge Island	97-33	1-1-00	6 %	6.397 %		
Bellevue	5578	2-4-05	5 %	5.499 %		
Bellingham	9376	1-1-91	6 %	6.061 %		
Black Diamond	277	1-1-84	6 %	6.672 %		
Blaine	3.19	3-13-97	6 %	6.724 %		
Bonney Lake	305N	2-1-94	6 %	6.672 %		
Bothell	1289	1-1-12	6 %	6.672 %		
Bremerton	4080	5-1-93	6 %	6.724 %		
Buckley	31-89	5-1-93	6 %	6.724 %		
Bucoda	441	5-6-04	6 %	6.724 %		
Burien	570	1-1-13	6 %	6.672 %		
Burlington	1890	8-31-20	6 %	6.070 %		AB
Carbonado	410	3-1-14	6 %	6.672 %		
Carnation	265	3-1-83	6 %	6.672 %		

(C) (C) (I) (I)

(Continued on Sheet No. 81-A)

Issued: July 31, 2020
Advice No.: 2020-23

Effective: August 31, 2020

By:



Issued By Puget Sound Energy

Jon Piliaris

Title: Director, Regulatory Affairs

99th Revision of Sheet No. 81-A
 Canceling 98th Revision
 of Sheet No. 81-A

WN U-60

PUGET SOUND ENERGY
Electric Tariff G

SCHEDULE 81
TAX ADJUSTMENT (Continued)

2. **TAX ADJUSTMENT:** (Continued)

a. **RATES:** (Continued)

Where Applied	City Ord. No.	Rate Eff. Date	City Ord. Rate	Effect of Tax Rate	Limitations	Exclusions
Cle Elum	871	5-1-93	6 %	6.672 %		
Clyde Hill	614	5-1-93	6 %	6.061 %		
Concrete	376	9-1-94	6 %	6.672 %		
Coupeville	485	7-10-94	6 %	6.672 %		
Covington	14-11	2-1-12	6 %	6.672 %		
Des Moines	1249	1-29-00	6 %	6.271 %		
DuPont	99-645	1-1-00	6 %	6.724 %		
Duvall	594	1-1-92	6 %	6.724 %		
Edgewood	18-0520	6-2-18	6 %	6.013 %		AB
Ellensburg	3476	5-1-93	6 %	6.724 %		
Enumclaw	1359	1-1-82	6 %	6.672 %		
Everson	355	3-1-88	6 %	6.061 %		A
Federal Way	06-539	2-4-07	7.75 %	8.106 %		
Ferndale	1277	3-9-02	6 %	6.061 %		A
Fife	1754-2011	1-1-12	6 %	6.672 %	(f)	
Hamilton	168	8-19-93	6 %	6.271 %		
Hunts Point	201	1-1-87	6 %	6.672 %		
Issaquah	1735	1-1-92	6 %	6.672 %		
Kenmore	04-0222	2-21-05	4 %	4.351 %		
Kent	3645	8-3-03	6 %	6.672 %		
Kirkland	3875	1-15-03	6 %	6.061 %		A
Kittitas	426	1-1-91	6 %	6.672 %		
Lacey	869	1-20-90	6 %	6.061 %		
La Conner	712	6-1-98	6 %	6.271 %		
Lake Forest Park	843	6-29-01	6 %	6.672 %		
Lakewood	232	12-14-00	5 %	5.223 %		
Langley	384	11-1-82	6 %	6.672 %		
Lummi Indian Res	91-104	8-1-92	5 %	5.541 %		
Lyman	181	2-16-04	6 %	6.397 %		A

(N)

(Continued on Sheet No. 81-B)

BY AUTH. OR ORDER OF WASH. UTILITIES & TRANSPORTATION COMM. DOCKET NO. UE-200077

Issued: February 3, 2020
Advice No.: 2020-02

Effective: March 5, 2020

By: 

Issued By Puget Sound Energy

Jon Piliaris

Title: Director, Regulatory Affairs

13th Revision of Sheet No. 81-C
Canceling 12th Revision
of Sheet No. 81-C

WN U-60

PUGET SOUND ENERGY
Electric Tariff G

SCHEDULE 81
TAX ADJUSTMENT (Continued)

2. **TAX ADJUSTMENT:** (Continued)

a. **RATES:** (Continued)

Where Applied	City Ord. No.	Rate Eff. Date	City Ord. Rate	Effect of Tax Rate	Limitations	Exclusions
Steilacoom	1009	5-1-93	6 %	6.319 %		
Sumner	2521	8-1-15	6 %	6.672 %	(b)	
Swinomish Indian	126	1-1-99	3 %	3.252 %		
Tenino	715	3-18-06	6 %	6.319 %		
Tukwila	1998	1-1-07	6 %	6.672 %		
Tumwater	1291	8-1-91	6 %	6.271 %		
Wilkeson	2006.10	5-13-11	6 %	6.672 %		
Woodinville	200	6-1-98	2 %	2.129 %		
Yarrow Point	619	1-1-11	6 %	6.672 %		
Yelm	909	10-20-09	6 %	6.271 %		

(K) (T)
| (T)
| (T)
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| (M) (T)
	(D)

TAX ASSESSMENTS OR REFUNDS –

The following tax adjustment rate shall be applied in addition to the tax adjustment rate shown above for the time specified below.

Where Applied	Ord. No.	Rate Start Date	Rate Through Date	Rate

| |
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| (M)
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|
| (K)

(M) Transferred from Sheet No 81-B


(K) Transferred to Sheet No. 81-D

(Continued on Sheet No. 81-D)

BY AUTH. OR ORDER OF WASH. UTILITIES & TRANSPORTATION COMM. DOCKET NO. UE-190392

Issued: May 16, 2019
Advice No.: 2019-20

Effective: June 17, 2019

By: 

Issued By Puget Sound Energy

Jon Piliaris

Title: Director, Regulatory Affairs

PUGET SOUND ENERGY
Electric Tariff G

SCHEDULE 81
TAX ADJUSTMENT (Continued)

b. LIMITATIONS:

- (a) Except the tax on any individual monthly bill shall not exceed \$500.
- (b) Except the tax on any individual monthly bill shall not exceed \$1,500.
- (c) Excluding city water and sewer accounts.
- (d) 6.0% on the first \$5,000.00 and 1.0% on all additional revenue per Customer account.
- (e) 6.0% on the first \$5,000.00 and 4.0% on all additional revenue per Customer account.
- (f) City Ord. Rate will revert to 3.0% on January 1, 2036. (N)

c. EXCLUSIONS FROM GROSS REVENUE:

- A. From business done for the United States.
- B. From business done for the State of Washington.

3. **EXCISE TAX CREDIT:**

- a. For eligible customers being served within Indian Country, as defined in WAC 458-20-192(2), the rates and charges named in this tariff shall be proportionately decreased by an adjustment equivalent to the amount of Washington State public utility excise tax imposed by the State and included in rates for electric service.
- b. Eligible Customers are Customers meeting the criteria for exemption from the Washington State public utility excise tax as described in WAC 458-20-192 will be eligible to receive an excise tax credit in the amount of 3.8730% of current charges. To receive the excise tax credit, eligible Customers must be identified by their Tribe and provide the Company with the information that the Company is required to maintain pursuant to WAC 458-20-192 Subsection 4. Upon receipt of the required information by the Company, bills going forward will reflect the credit.

(Continued on Sheet No. 81-E)

BY AUTH. OR ORDER OF WASH. UTILITIES & TRANSPORTATION COMM. DOCKET NO. UE-200077

Issued: February 3, 2020
Advice No.: 2020-02

Effective: March 5, 2020

By: 

Issued By Puget Sound Energy

Jon Piliaris

Title: Director, Regulatory Affairs

PUGET SOUND ENERGY
Electric Tariff G

SCHEDULE 81
TAX ADJUSTMENT (Continued)

4. **TIMING OF COLLECTIONS OR REFUNDS:** (M)
- a. When the Company has paid tax assessments or other related charges for past periods to a municipality or other state subdivision with taxing authority, or received refunds from a municipality or other state subdivision with taxing authority, the Company will propose the appropriate time period and rate, to be included as a line item in Schedule 81 (in addition to the ordinance rate) with corresponding rate effective dates over which to adjust rates to pass through the amount. If the proposed time period is greater than one year, the Company shall include its carrying costs at a rate equal to its after tax rate of return. The tariff filing for recovery of assessments or other related charges or pass through of refunds paid or received after June 1, 2012 shall be made within 75 days of such payment or refund. The time between payment/refund and filing (up to 75 days) shall be considered in the calculation of the carrying costs described herein.
5. **GENERAL RULES AND PROVISIONS:** Service under this schedule is subject to the General Rules and Provisions contained in this tariff. (M)

(M) Transferred from Sheet No. 81-D

BY AUTH. OR ORDER OF WASH. UTILITIES & TRANSPORTATION COMM. DOCKET NO. UE-190392

Issued: May 16, 2019
Advice No.: 2019-20

Effective: June 17, 2019

By: 

Issued By Puget Sound Energy

Jon Piliaris

Title: Director, Regulatory Affairs