

Service and Other Activities rate changes

Businesses that report under the Service and Other Activities B&O tax classification.

Starting in 2025, the business and occupation (B&O) tax has three tax rates under the Service and Other Activities classification. If your business (or the entity that owns your business or the entity in your consolidated group) had taxable income subject to the Service and Other Activities B&O tax classification in the prior calendar year, you must determine the applicable tax rate for your business.

Line Name as of 10/1/25	Line Name as of 1/1/26
Service and Other Activities	Service and Other Activities (Less Than \$1,000,000 in the prior year)
Service and Other Activities (\$1 million or greater in prior year)	Service and Other Activities (\$1,000,000 to \$4,999,999.99 in the prior year)
Service and Other Activities (\$5,000,000 or More in the prior year)	No change