



Clark County, Washington - Multnomah and Washington Counties, Oregon

The Portland-Vancouver market spans two states (OR and WA). Depending upon the location, you will be required to pay taxes based on that state's tax structure. Determining wh tax structure is more favorable to your business requires careful consideration. Oregon has no sales tax but levies individual and business income tax. Washington has no income tax but levies a sales tax on retail purchases, and a business receipt tax. In addition, local governments may impose additional taxes. There are no local business taxes in Clark County outside standard business licensing fees. The CREDC can assist with a comparative tax analysis and general business tax and licensing guide for companies considering a relocation to Clark County.

TAX	WASHINGTON (Clark County)	OREGON (Multnomah County)	OREGON (Washington County)
Corporate Excise Tax	None	6.6% of net Oregon income.	6.6% of net Oregon income.
Personal Income Tax	None	Up to 9% of taxable income.	Up to 9% of taxable income.
Personal Income Tax (County)	None	None	None
State Business Tax	Manufacturing/Wholesaling 0.484%; Retailing 0.471%; Service and other activity 1.5%. Based on gross sales.	None	None
Business License Fee (City)	\$125 + \$50 per employee (City of Vancouver)	2.2% of net business income \$100 minimum (City of Portland)	0-4 Employees: \$50 per year; each additional employee \$8.50 per year. (City of Beaverton)
Sales Tax (State & Local)	State 6.5%, Clark County 1.7%	None	None
Transit District Tax	None	.6618% flat rate payroll tax	.6618% flat rate payroll tax
Real & Personal Property Tax (per \$1,000 of assessed value)	Average rate \$10.48	Average Rate. \$20.26	Average Rate. \$16.60
Unemployment Insurance Tax (rates vary depending on job classification and employer experience)	Average rate 1.7% of the first \$34,000 of an employee's salary.	.9%-5.4% of the first \$30,200 of an employee's salary.	.9%-5.4% of the first \$30,200 of an employee's salary.
Industrial Insurance (WA), Workers Compensation (OR) * See Note	Average rate: Misc. Manufacturing: 0.6464 cents per worker hour; Professional & Clerical: 0.1687 cents per worker hour. (2008 Rates) Washington is the only state with Workers' Compensation rates based on hours worked rather than per \$100 wages paid. This means there is not an inflationary increase built into the system when wages rise. Insurance is not paid for hours the worker is off the job, including sick leave, vacation or holiday hours, and leaves of absences.	Workers' Compensation is broken down into 3 separate taxes. 1) Premiums paid to private insurance companies that range from \$1.8 - \$5.4 per \$100 of wages paid. 2) 4.6% Premium Assessment fee of the annual total premium. 3) Workers Benefit Fund, paid to the state, 2.8 cents per worker hour through payroll deduction. (2008 Rates)	Workers' Compensation is broken down into 3 separate taxes. 1) Premiums paid to private insurance companies that range from \$1.8 - \$5.4 per \$100 of wages paid. 2) 4.6% Premium Assessment fee of the annual total premium. 3) Workers Benefit Fund, paid to the state, 2.8 cents per worker hour through payroll deduction. (2008 Rates)

* Note: The Industrial Insurance/Workers Compensation data shows how the rates are computed. It is not designed to make direct rate comparisons between states as Industrial Insurance is based on number of hours worked while Workers Compensation is based on wages paid.

Source: Columbia River Economic Development Council, January 2008; www.credc.org

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