



SALES TAX

THE BASICS

Revised October 2024

In Lacey the current sales tax rate is 9.7%. This rate is applied to goods, personal and business property, and some services, such as construction and repairs. Collected by the State, sales tax is distributed to several governmental entities, including the City. The City's portion is 0.85% of the total. This sales tax goes to the **General Fund** and makes up about 20% of all General Fund revenues.

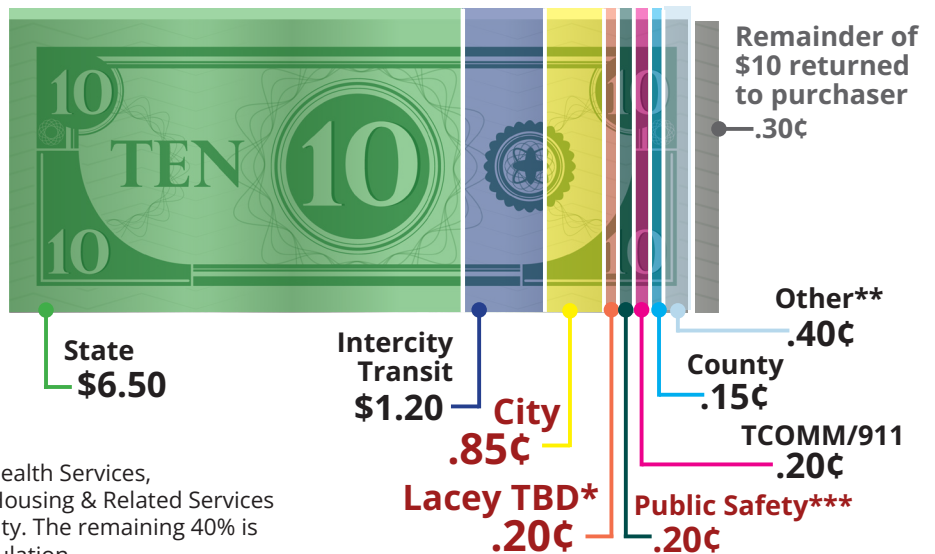
The City also has a voter approved 0.20% Transportation Benefit District. These funds pay for some transportation programs to maintain and preserve roads and sidewalks.

In the example below, of the total \$9.70 sales tax collected on a \$100 purchase, the City gets 0.85¢ for the General Fund, 0.20¢ for the Transportation Benefit District, and a portion of the criminal justice and public safety tax (see footnote in example below). The remaining \$8.65 goes to the State, Intercity Transit, TCOMM/911, public safety (County & other cities), the County, and others.



SALES TAX DISTRIBUTION EXAMPLE

Purchase Price **\$100** + **\$9.70** (9.7% Sales Tax) = Total Cost **\$109.70**



* Lacey Transportation Benefit District
 ** Chemical Dependency & Behavioral Health Services, Criminal Justice, Detention Facilities, Housing & Related Services
 *** 60% of this sales tax goes to the County. The remaining 40% is distributed to the cities based on population.