



New Public Safety Sales Tax

August 19, 2025

Council Study Session





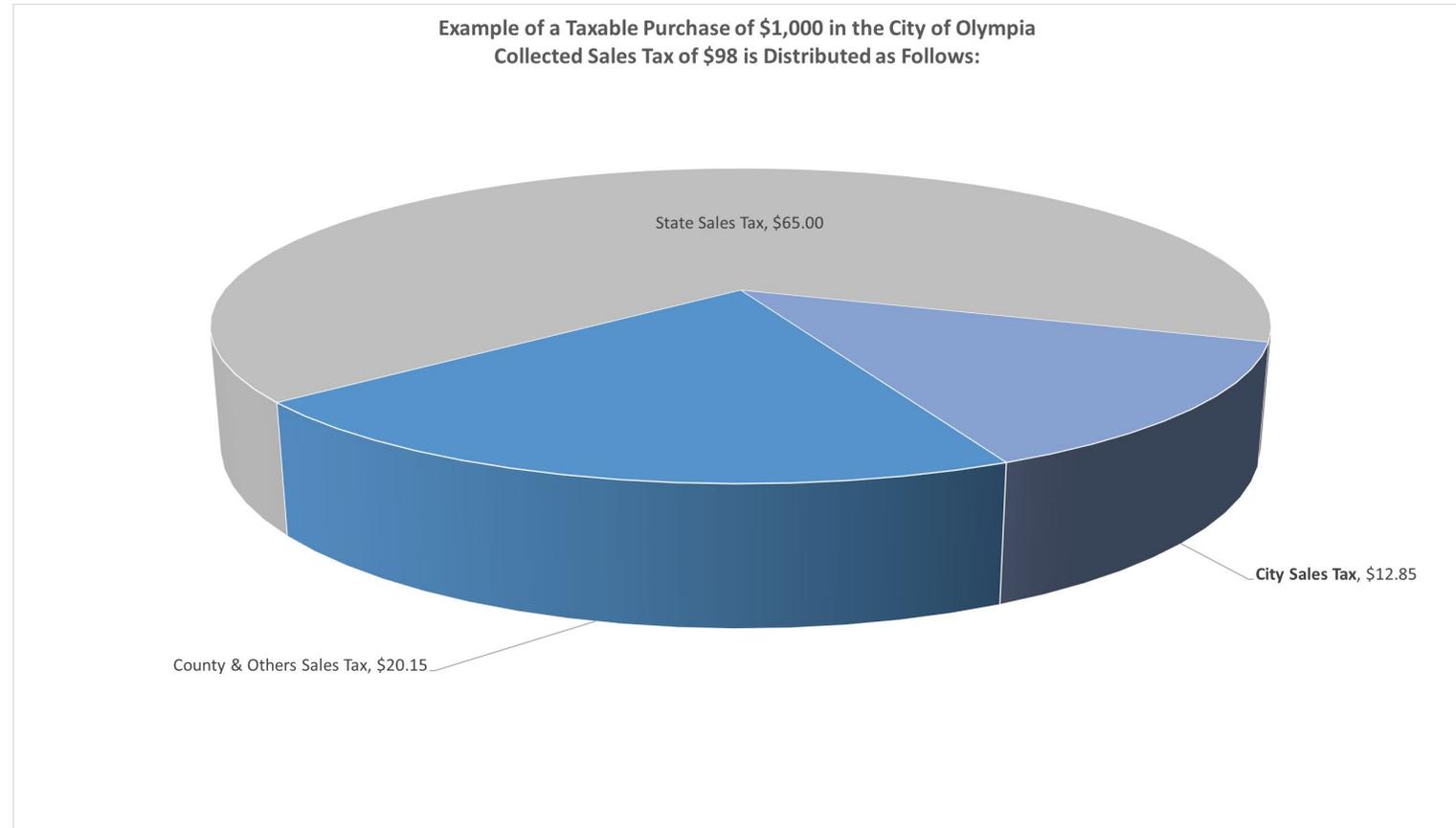
Agenda

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- Current sales and use tax picture
- Details of newly available public safety sales and use tax (0.1%)
- Estimated impact

Current Sales and Use Tax

- The state, all counties, and all cities in Washington levy sales and use taxes
- The City of Olympia's current rate is 9.8%
- Sales and use tax revenues are shared by the State, City of Olympia, Thurston County and other local jurisdictions





New Public Safety Sales Tax

- 2025 legislature established two new funding mechanisms for funding public safety:
 - 3-year \$100 M grant program
 - Councilmanic 0.1% local sales tax
 - Broad public safety and criminal justice needs
 - Permanent
- Enacting the new 0.1% sales and use tax would bring Olympia's sales tax rate to 9.9%



Questions?