

---

HOUSE BILL 1067

---

State of Washington

52nd Legislature

1991 Regular Session

By Representatives May, Van Luven, Broback, Belcher, Heavey, Kremen, Haugen, O'Brien, Ogden, Brekke, Schmidt, Wood, Padden, Ferguson, Miller, Rust, Holland, Wynne, Horn, Moyer, Jones, Bray, Tate, Nelson, Basich, Brough, Rayburn, Forner, Mitchell, Winsley, McLean and Sheldon.

Read first time January 17, 1991. Referred to Committee on Revenue.

1 AN ACT Relating to an exemption from retail sales tax and business  
2 and occupation tax for meals served no more frequently than once a week  
3 by a nonprofit organization for fundraising purposes; amending RCW  
4 82.04.365 and 82.08.0251; providing an effective date; and declaring an  
5 emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 82.04.365 and 1979 ex.s. c 196 s 7 are each amended to  
8 read as follows:

9 (1) This chapter does not apply to amounts derived by a nonprofit  
10 organization as a result of conducting or participating in a bazaar or  
11 rummage sale if:

12 (a) The organization does not conduct or participate in more than  
13 two bazaars or rummage sales per year; and

1 (b) Each bazaar or rummage sale does not extend over a period of  
2 more than two days; and

3 (c) The gross income received by each organization from each bazaar  
4 or rummage sale does not exceed one thousand dollars.

5 (2) This chapter does not apply to amounts derived by a nonprofit  
6 organization as a result of serving meals for fundraising purposes if  
7 the meals are served no more frequently than once a week.

8 (3) For purposes of this section, "nonprofit organization" means an  
9 organization that meets all of the following criteria:

10 (a) The members, stockholders, officers, directors, or trustees of  
11 the organization do not receive any part of the organization's gross  
12 income, except as payment for services rendered;

13 (b) The compensation received by any person for services rendered  
14 to the organization does not exceed an amount reasonable under the  
15 circumstances; and

16 (c) The activities of the organization do not include a substantial  
17 amount of political activity, including but not limited to influencing  
18 legislation and participation in any campaign on behalf of any  
19 candidate for political office.

20 **Sec. 2.** RCW 82.08.0251 and 1980 c 37 s 19 are each amended to read  
21 as follows:

22 The tax levied by RCW 82.08.020 shall not apply to casual and  
23 isolated sales of property or service, unless made by a person who is  
24 engaged in a business activity taxable under chapters 82.04 or 82.16  
25 RCW: PROVIDED, That the exemption provided by this section shall not  
26 be construed as providing any exemption from the tax imposed by chapter  
27 82.12 RCW.

1        As used in this section "casual and isolated" includes, but is not  
2 limited to, sales in which the gross proceeds of sales are exempt under  
3 RCW 82.04.365.

4        NEW SECTION.    **Sec. 3.**        This act is necessary for the immediate  
5 preservation of the public peace, health, or safety, or support of the  
6 state government and its existing public institutions, and shall take  
7 effect July 1, 1991.