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HOUSE BILL 1931

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State of Washington

52nd Legislature

1991 Regular Session

By Representatives Brough, Grant, Brumsickle, Broback, Neher, Morris, Mielke, Cantwell, Chandler, Van Luven, D. Sommers, Holland, Wilson, Bowman, Mitchell, Ferguson, Wynne and Forner.

Read first time February 15, 1991. Referred to Committee on Commerce & Labor\Revenue.

1 AN ACT Relating to limits on raffles conducted by nonprofit  
2 organizations; and amending RCW 9.46.0315, 9.46.0321, and 9.46.110.

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

4 **Sec. 1.** RCW 9.46.0315 and 1987 c 4 s 27 are each amended to read  
5 as follows:

6 Bona fide charitable or bona fide nonprofit organizations organized  
7 primarily for purposes other than the conduct of raffles, are hereby  
8 authorized to conduct raffles without obtaining a license to do so from  
9 the commission when such raffles are held in accordance with all other  
10 requirements of this chapter, other applicable laws, and rules of the  
11 commission; when gross revenues from all such raffles held by the  
12 organization during the calendar year do not exceed ((five)) ten  
13 thousand dollars; and when tickets to such raffles are sold only to,  
14 and winners are determined only from among, the regular members of the  
15 organization conducting the raffle: PROVIDED, That the term members

1 for this purpose shall mean only those persons who have become members  
2 prior to the commencement of the raffle and whose qualification for  
3 membership was not dependent upon, or in any way related to, the  
4 purchase of a ticket, or tickets, for such raffles.

5 **Sec. 2.** RCW 9.46.0321 and 1987 c 4 s 28 are each amended to read  
6 as follows:

7 Bona fide charitable or bona fide nonprofit organizations organized  
8 primarily for purposes other than the conduct of such activities are  
9 hereby authorized to conduct bingo, raffles, and amusement games,  
10 without obtaining a license to do so from the commission but only when:

11 (1) Such activities are held in accordance with all other  
12 requirements of this chapter, other applicable laws, and rules of the  
13 commission;

14 (2) Said activities are, alone or in any combination, conducted no  
15 more than twice each calendar year and over a period of no more than  
16 twelve consecutive days each time, notwithstanding the limitations of  
17 RCW 9.46.0205: PROVIDED, That a raffle conducted under this subsection  
18 may be conducted for a period longer than twelve days;

19 (3) Only bona fide members of that organization, who are not paid  
20 for such services, participate in the management or operation of the  
21 activities;

22 (4) Gross revenues to the organization from all the activities  
23 together do not exceed five thousand dollars during any calendar year,  
24 except that raffles may gross up to but not exceed ten thousand dollars  
25 per year;

26 (5) All revenue therefrom, after deducting the cost of prizes and  
27 other expenses of the activity, is devoted solely to the purposes for  
28 which the organization qualifies as a bona fide charitable or nonprofit  
29 organization;

1 (6) The organization gives notice at least five days in advance of  
2 the conduct of any of the activities to the local police agency of the  
3 jurisdiction within which the activities are to be conducted of the  
4 organization's intent to conduct the activities, the location of the  
5 activities, and the date or dates they will be conducted; and

6 (7) The organization conducting the activities maintains records  
7 for a period of one year from the date of the event which accurately  
8 show at a minimum the gross revenue from each activity, details of the  
9 expenses of conducting the activities, and details of the uses to which  
10 the gross revenue therefrom is put.

11 **Sec. 3.** RCW 9.46.110 and 1987 c 4 s 39 are each amended to read as  
12 follows:

13 The legislative authority of any county, city-county, city, or  
14 town, by local law and ordinance, and in accordance with the provisions  
15 of this chapter and rules and regulations promulgated hereunder, may  
16 provide for the taxing of any gambling activity authorized by this  
17 chapter within its jurisdiction, the tax receipts to go to the county,  
18 city-county, city, or town so taxing the same: PROVIDED, That any such  
19 tax imposed by a county alone shall not apply to any gambling activity  
20 within a city or town located therein but the tax rate established by  
21 a county, if any, shall constitute the tax rate throughout the  
22 unincorporated areas of such county: PROVIDED FURTHER, That (1) punch  
23 boards and pull-tabs, chances on which shall only be sold to adults,  
24 which shall have a fifty cent limit on a single chance thereon, shall  
25 be taxed on a basis which shall reflect only the gross receipts from  
26 such punch boards and pull-tabs; and (2) no punch board or pull-tab may  
27 award as a prize upon a winning number or symbol being drawn the  
28 opportunity of taking a chance upon any other punch board or pull-tab;  
29 and (3) all prizes for punch boards and pull-tabs must be on display

1 within the immediate area of the premises wherein any such punch board  
2 or pull-tab is located and upon a winning number or symbol being drawn,  
3 such prize must be immediately removed therefrom, or such omission  
4 shall be deemed a fraud for the purposes of this chapter; and (4) when  
5 any person shall win over twenty dollars in money or merchandise from  
6 any punch board or pull-tab, every licensee hereunder shall keep a  
7 public record thereof for at least ninety days thereafter containing  
8 such information as the commission shall deem necessary: AND PROVIDED  
9 FURTHER, That taxation of bingo and raffles shall never be in an amount  
10 greater than ten percent of the gross revenue received therefrom less  
11 the amount paid for or as prizes. Taxation of amusement games shall  
12 only be in an amount sufficient to pay the actual costs of enforcement  
13 of the provisions of this chapter by the county, city or town law  
14 enforcement agency and in no event shall such taxation exceed two  
15 percent of the gross revenue therefrom less the amount paid for as  
16 prizes: PROVIDED FURTHER, That no tax shall be imposed under the  
17 authority of this chapter on bingo, raffles or amusement games when  
18 such activities or any combination thereof are conducted by any bona  
19 fide charitable or nonprofit organization as defined in this chapter,  
20 which organization has no paid operating or management personnel and  
21 has gross income from bingo(~~(, raffles)~~) or amusement games, or ((any))  
22 a combination thereof, not exceeding five thousand dollars per year, or  
23 from raffles not exceeding ten thousand dollars per year, less the  
24 amount paid for as prizes. Taxation of punch boards and pull-tabs  
25 shall not exceed five percent of gross receipts, nor shall taxation of  
26 social card games exceed twenty percent of the gross revenue from such  
27 games.