
SENATE BILL 5950

State of Washington

55th Legislature

1997 Regular Session

By Senators Schow and Heavey

Read first time 02/21/97. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to taxation of gambling activities; and amending
2 RCW 9.46.110.

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

4 **Sec. 1.** RCW 9.46.110 and 1994 c 301 s 2 are each amended to read
5 as follows:

6 The legislative authority of any county, city-county, city, or
7 town, by local law and ordinance, and in accordance with the provisions
8 of this chapter and rules and regulations promulgated hereunder, may
9 provide for the taxing of any gambling activity authorized by this
10 chapter within its jurisdiction, the tax receipts to go to the county,
11 city-county, city, or town so taxing the same: PROVIDED, That any such
12 tax imposed by a county alone shall not apply to any gambling activity
13 within a city or town located therein but the tax rate established by
14 a county, if any, shall constitute the tax rate throughout the
15 unincorporated areas of such county: PROVIDED FURTHER, That (1) punch
16 boards and pull-tabs, chances on which shall only be sold to adults,
17 which shall have a fifty cent limit on a single chance thereon, shall
18 be taxed on a basis which shall reflect only the gross receipts from
19 such punch boards and pull-tabs; and (2) no punch board or pull-tab may

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

32 Taxes imposed under this chapter become a lien upon personal and
33 real property used in the gambling activity in the same manner as
34 provided for under RCW 84.60.010. The lien shall attach on the date
35 the tax becomes due and shall relate back and have priority against
36 real and personal property to the same extent as ad valorem taxes.

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