
HOUSE BILL 1077

State of Washington

54th Legislature

1995 Regular Session

By Representatives Quall, Lambert, Chandler, Basich, Mielke, Mastin, Kremen, Veloria, Dyer, Hatfield, Campbell, Kessler, Costa, Cody, Sheldon, Poulsen, Mason, Dickerson, Regala, Morris, Chopp, Patterson and Tokuda

Read first time 01/11/95. Referred to Committee on Finance.

1 AN ACT Relating to sales by nonprofit organizations; amending RCW
2 82.04.365; and adding a new section to chapter 82.08 RCW.

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

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

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

9 ~~((a))~~ (i) The organization does not conduct or participate in
10 more than two bazaars or rummage sales per year; and

11 ~~((b))~~ (ii) Each bazaar or rummage sale does not extend over a
12 period of more than two days(~~and~~

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

15 (b) This chapter does not apply to amounts derived by a nonprofit
16 organization from sales at a fund-raising drive or concession if:

17 (i) The organization does not conduct or participate in more than
18 two fund-raising drives or concessions per year;

1 (ii) Each fund-raising drive or concession does not extend over a
2 period of more than two days; and

3 (iii) The fund-raising drive or concession is for the support of
4 benevolent, athletic, recreational, or cultural programs.

5 (c) This chapter does not apply to amounts derived by a nonprofit
6 organization from serving meals, if such meals are served no more
7 frequently than once every two weeks.

8 (2) 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 NEW SECTION. Sec. 2. A new section is added to chapter 82.08 RCW
21 to read as follows:

22 (1)(a) The tax imposed by RCW 82.08.020 shall not apply to amounts
23 derived by a nonprofit organization as a result of conducting or
24 participating in a bazaar or rummage sale if:

25 (i) The organization does not conduct or participate in more than
26 two bazaars or rummage sales per year; and

27 (ii) Each bazaar or rummage sale does not extend over a period of
28 more than two days.

29 (b) The tax imposed by RCW 82.08.020 shall not apply to amounts
30 derived by a nonprofit organization from sales at a fund-raising drive
31 or concession if:

32 (i) The organization does not conduct or participate in more than
33 two fund-raising drives or concessions per year;

34 (ii) Each fund-raising drive or concession does not extend over a
35 period of more than two days; and

36 (iii) The fund-raising drive or concession is for the support of
37 benevolent, athletic, recreational, or cultural programs.

1 (c) The tax imposed by RCW 82.08.020 shall not apply to amounts
2 derived by a nonprofit organization from serving meals, if such meals
3 are served no more frequently than once every two weeks.

4 (2) For purposes of this section, "nonprofit organization" means an
5 organization that meets all of the following criteria:

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

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

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

--- END ---