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SENATE BILL 6750

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State of Washington                      54th Legislature                      1996 Regular Session

By Senators Heavey, Newhouse, Haugen, Oke, Hochstatter, Schow,  
Rasmussen and Johnson

Read first time 01/31/96. Referred to Committee on Labor, Commerce &  
Trade.

1            AN ACT Relating to excise taxation of management entities providing  
2 services for casino gambling activity in Washington state; amending RCW  
3 82.04.290; and adding a new section to chapter 82.04 RCW.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 82.04 RCW  
6 to read as follows:

7            "Casino management services" means management services provided by  
8 a management entity certified by the state of Washington for casino  
9 gambling activity including financing, development, or operation of a  
10 facility capable of conducting gambling activity using thirty or more  
11 gaming stations and allowing wagers of two hundred fifty dollars or  
12 more.

13            **Sec. 2.** RCW 82.04.290 and 1995 c 229 s 3 are each amended to read  
14 as follows:

15            (1) Upon every person engaging within this state in the business of  
16 providing selected business services other than or in addition to those  
17 enumerated in RCW 82.04.250 or 82.04.270; as to such persons the amount

1 of tax on account of such activities shall be equal to the gross income  
2 of the business multiplied by the rate of 2.5 percent.

3 (2) Upon every person engaging within this state in banking, loan,  
4 security, investment management, investment advisory, or other  
5 financial businesses, other than or in addition to those enumerated in  
6 subsection (3) of this section; as to such persons, the amount of the  
7 tax with respect to such business shall be equal to the gross income of  
8 the business, multiplied by the rate of 1.70 percent.

9 (3) Upon every person engaging within this state in the business of  
10 providing international investment management services, as to such  
11 persons, the amount of tax with respect to such business shall be equal  
12 to the gross income or gross proceeds of sales of the business  
13 multiplied by a rate of 0.275 percent.

14 (4) Upon every person engaging within this state in any business  
15 activity other than or in addition to those enumerated in RCW  
16 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260, 82.04.270, and  
17 82.04.280, and subsections (1), (2), and (3) of this section; as to  
18 such persons the amount of tax on account of such activities shall be  
19 equal to the gross income of the business multiplied by the rate of 2.0  
20 percent. This section includes, among others, and without limiting the  
21 scope hereof (whether or not title to materials used in the performance  
22 of such business passes to another by accession, confusion or other  
23 than by outright sale), persons engaged in the business of rendering  
24 any type of service which does not constitute a "sale at retail" or a  
25 "sale at wholesale." The value of advertising, demonstration, and  
26 promotional supplies and materials furnished to an agent by his  
27 principal or supplier to be used for informational, educational and  
28 promotional purposes shall not be considered a part of the agent's  
29 remuneration or commission and shall not be subject to taxation under  
30 this section.

31 (5) Upon every person engaging within this state in casino  
32 management services under section 1 of this act; as to such persons the  
33 amount of tax on account of such activities shall be equal to the gross  
34 income of the business multiplied by the rate of twenty percent.

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