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**SUBSTITUTE HOUSE BILL 2187**

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**State of Washington                      52nd Legislature                      1991 Regular Session**

**By** House Committee on Revenue (originally sponsored by Representatives O'Brien, Dellwo, Brough, Anderson, May, Kremen, Beck, Zellinsky, Miller, Day, Basich, Riley, R. King, Rasmussen, Prentice, Ferguson, Padden, Broback, Ballard, Edmondson, Brumsickle, P. Johnson, Bowman, Wynne, Mielke, Casada, Nealey, Van Luven, Fuhrman, Holland, Wilson, Schmidt, Neher, Lisk, Rayburn, Scott, Roland, Ogden, Orr, Haugen, Jacobsen, Cole, Pruitt, McLean, Tate, Morton, Valle, Dorn, Heavey, Franklin, Cantwell and Leonard).

Read first time April 12, 1991. Referred to Committee on Revenue.

1            AN ACT Relating to auctions conducted by nonprofit organizations;  
2 adding a new section to chapter 82.04 RCW; adding a new section to  
3 chapter 82.08 RCW; and declaring an emergency.

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            (1) This chapter does not apply to amounts received by a public  
8 benefit nonprofit organization from sales at an auction that the  
9 organization conducts or participates in, if:

10            (a) The organization does not conduct or participate in more than  
11 one auction per year; and

12            (b) The auction does not extend over a period of more than two  
13 days.

14            (2) As used in this section, "public benefit nonprofit  
15 organization" means an organization exempt from tax under section

1 501(c)(3) of the federal internal revenue code, as in effect on January  
2 1, 1991, or a subsequent date provided by the director by rule  
3 consistent with the purpose of this section.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW  
5 to read as follows:

6 (1) The tax levied by RCW 82.08.020 does not apply to sales made by  
7 a public benefit nonprofit organization at an auction that the  
8 organization conducts or participates in, if:

9 (a) The organization does not conduct or participate in more than  
10 one auction per year; and

11 (b) The auction does not extend over a period of more than two  
12 days.

13 (2) As used in this section, "public benefit nonprofit  
14 organization" means an organization exempt from tax under section  
15 501(c)(3) of the federal internal revenue code, as in effect on January  
16 1, 1991, or a subsequent date provided by the director by rule  
17 consistent with the purpose of this section.

18 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
19 preservation of the public peace, health, or safety, or support of the  
20 state government and its existing public institutions, and shall take  
21 effect immediately.