

**SENATE BILL REPORT**

**SB 5845**

**AS PASSED SENATE, MARCH 15, 1991**

**Brief Description:** Taxing adult entertainment materials and services and dedicating the revenues to crime victims compensation.

**SPONSORS:** Senators McDonald, Gaspard, Hayner, Wojahn, Oke, Vognild, Metcalf, Thorsness, L. Smith, A. Smith and Bauer.

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** Do pass.

Signed by Senators McDonald, Chairman; Bailey, Bauer, Bluechel, Gaspard, Hayner, Metcalf, Murray, Newhouse, Owen, L. Smith, West, and Wojahn.

**Staff:** Terry Wilson (786-7715)

**Hearing Dates:** February 26, 1991; February 27, 1991

**BACKGROUND:**

The 6.5 percent state retail sales and use tax applies to the retail sale or use of tangible personal property in this state. The tax also applies to a limited number of services.

**SUMMARY:**

A tax is imposed on the retail sale or use of adult entertainment materials and services at the rate of 18.5 percent. The tax is in addition to the 6.5 percent retail sales tax on adult entertainment materials.

Adult entertainment materials and services are defined as those entertainment materials and services that are primarily oriented to an interest in sex. The term does not include (a) books or magazines that contain no pictures or other graphics or (b) motion pictures, videotapes, videodiscs, or cable television services that do not contain any explicit sex of the type that would be rated "X" using the standards of the Motion Picture Association of America as existing on January 1, 1991. Any visual medium that contains explicit sex is considered to be primarily oriented to an interest in sex.

Revenues from the tax are deposited in the Public Safety and Education Account for the purposes of crime victims compensation.

**Appropriation:** none

**Revenue:** yes

**Fiscal Note:** available

**Effective Date:** August 1, 1991

**TESTIMONY FOR:** None

**TESTIMONY AGAINST:**

Most retailers do not have the capacity to add an additional tax to their electronic registers. Retailers should not have to determine if an item is taxable or not.

**TESTIFIED:** Amy Bryan, Washington Food Dealers (con); Celia Fritz, Motion Picture Association of America (con)