

---

SENATE BILL 5637

---

State of Washington

52nd Legislature

1991 Regular Session

By Senator Conner.

Read first time February 12, 1991. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to gambling taxes; and amending 9.46.110.

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

3 **Sec. 1.** RCW 9.46.110 and 1987 c 4 s 39 are each amended to read as  
4 follows:

5 The legislative authority of any county, city-county, city, or  
6 town, by local law and ordinance, and in accordance with the provisions  
7 of this chapter and rules and regulations promulgated hereunder, may  
8 provide for the taxing of any gambling activity authorized by this  
9 chapter within its jurisdiction, the tax receipts to go to the county,  
10 city-county, city, or town so taxing the same: PROVIDED, That any such  
11 tax imposed by a county alone shall not apply to any gambling activity  
12 within a city or town located therein but the tax rate established by  
13 a county, if any, shall constitute the tax rate throughout the  
14 unincorporated areas of such county: PROVIDED FURTHER, That (1) punch

1 boards and pull-tabs, chances on which shall only be sold to adults,  
2 which shall have a fifty cent limit on a single chance thereon, shall  
3 be taxed on a basis which shall reflect only the (~~gross~~) net receipts  
4 from such punch boards and pull-tabs; and (2) no punch board or  
5 pull-tab may award as a prize upon a winning number or symbol being  
6 drawn the opportunity of taking a chance upon any other punch board or  
7 pull-tab; and (3) all prizes for punch boards and pull-tabs must be on  
8 display within the immediate area of the premises wherein any such  
9 punch board or pull-tab is located and upon a winning number or symbol  
10 being drawn, such prize must be immediately removed therefrom, or such  
11 omission shall be deemed a fraud for the purposes of this chapter; and  
12 (4) when any person shall win over twenty dollars in money or  
13 merchandise from any punch board or pull-tab, every licensee hereunder  
14 shall keep a public record thereof for at least ninety days thereafter  
15 containing such information as the commission shall deem necessary:  
16 AND PROVIDED FURTHER, That taxation of bingo and raffles shall never be  
17 in an amount greater than ten percent of the gross revenue received  
18 therefrom less the amount paid for or as prizes. Taxation of amusement  
19 games shall only be in an amount sufficient to pay the actual costs of  
20 enforcement of the provisions of this chapter by the county, city or  
21 town law enforcement agency and in no event shall such taxation exceed  
22 two percent of the gross revenue therefrom less the amount paid for as  
23 prizes: PROVIDED FURTHER, That no tax shall be imposed under the  
24 authority of this chapter on bingo, raffles or amusement games when  
25 such activities or any combination thereof are conducted by any bona  
26 fide charitable or nonprofit organization as defined in this chapter,  
27 which organization has no paid operating or management personnel and  
28 has gross income from bingo, raffles or amusement games, or any  
29 combination thereof, not exceeding five thousand dollars per year less  
30 the amount paid for as prizes. Taxation of punch boards and pull-tabs

1 shall not exceed ((five)) ten percent of ((gross receipts, nor shall))  
2 the net proceeds from all receipts. Net proceeds shall be determined  
3 by subtracting from all proceeds the cost of prizes paid out. Taxation  
4 of social card games shall not exceed twenty percent of the gross  
5 revenue from such games.