

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5745**

Chapter 221, Laws of 1999

56th Legislature  
1999 Regular Session

BINGO AND RAFFLES--TAX REDUCTION

EFFECTIVE DATE: 1/1/2000

Passed by the Senate March 10, 1999  
YEAS 31 NAYS 14

BRAD OWEN  
**President of the Senate**

Passed by the House April 12, 1999  
YEAS 83 NAYS 11

CLYDE BALLARD  
**Speaker of the  
House of Representatives**

FRANK CHOPP  
**Speaker of the  
House of Representatives**

Approved May 7, 1999

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5745** as passed by the Senate and the House of Representatives on the dates hereon set forth.

TONY M. COOK  
**Secretary**

FILED

May 7, 1999 - 4:11 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5745**

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Passed Legislature - 1999 Regular Session

**State of Washington                      56th Legislature                      1999 Regular Session**

**By** Senate Committee on Commerce, Trade, Housing & Financial  
Institutions (originally sponsored by Senators Bauer, Honeyford,  
Wojahn, West and Long)

Read first time 03/03/1999.

1            AN ACT Relating to reducing the tax on bingo and raffles; amending  
2 RCW 9.46.110; and providing an effective date.

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

4            **Sec. 1.** RCW 9.46.110 and 1997 c 394 s 4 are each amended to read  
5 as follows:

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

16            (2) The operation of punch boards and pull-tabs are subject to the  
17 following conditions:

18            (a) Chances may only be sold to adults;

19            (b) The price of a single chance may not exceed one dollar;

1 (c) No punch board or pull-tab license may award as a prize upon a  
2 winning number or symbol being drawn the opportunity of taking a chance  
3 upon any other punch board or pull-tab;

4 (d) All prizes available to be won must be described on an  
5 information flare. All merchandise prizes must be on display within  
6 the immediate area of the premises in which any such punch board or  
7 pull-tab is located. Upon a winning number or symbol being drawn, a  
8 merchandise prize must be immediately removed from the display and  
9 awarded to the winner. All references to cash or merchandise prizes,  
10 with a value over twenty dollars, must be removed immediately from the  
11 information flare when won, or such omission shall be deemed a fraud  
12 for the purposes of this chapter; and

13 (e) When any person wins money or merchandise from any punch board  
14 or pull-tab over an amount determined by the commission, every licensee  
15 shall keep a public record of the award for at least ninety days  
16 containing such information as the commission shall deem necessary.

17 (3)(a) Taxation of bingo and raffles shall never be in an amount  
18 greater than (~~ten~~) five percent of the gross receipts from a bingo  
19 game or raffle less the amount awarded as cash or merchandise prizes.

20 (b) Taxation of amusement games shall only be in an amount  
21 sufficient to pay the actual costs of enforcement of the provisions of  
22 this chapter by the county, city or town law enforcement agency and in  
23 no event shall such taxation exceed two percent of the gross receipts  
24 from the amusement game less the amount awarded as prizes.

25 (c) No tax shall be imposed under the authority of this chapter on  
26 bingo or amusement games when such activities or any combination  
27 thereof are conducted by any bona fide charitable or nonprofit  
28 organization as defined in this chapter, which organization has no paid  
29 operating or management personnel and has gross receipts from bingo or  
30 amusement games, or a combination thereof, not exceeding five thousand  
31 dollars per year, less the amount awarded as cash or merchandise  
32 prizes.

33 (d) No tax shall be imposed on the first ten thousand dollars of  
34 gross receipts less the amount awarded as cash or merchandise prizes  
35 from raffles conducted by any bona fide charitable or nonprofit  
36 organization as defined in this chapter.

37 (e) Taxation of punch boards and pull-tabs for bona fide charitable  
38 or nonprofit organizations is based on gross receipts from the  
39 operation of the games less the amount awarded as cash or merchandise

1 prizes, and shall not exceed a rate of ten percent. At the option of  
2 the county, city-county, city, or town, the taxation of punch boards  
3 and pull-tabs for commercial stimulant operators may be based on gross  
4 receipts from the operation of the games, and may not exceed a rate of  
5 five percent, or may be based on gross receipts from the operation of  
6 the games less the amount awarded as cash or merchandise prizes, and  
7 may not exceed a rate of ten percent.

8 (f) Taxation of social card games may not exceed twenty percent of  
9 the gross revenue from such games.

10 (4) Taxes imposed under this chapter become a lien upon personal  
11 and real property used in the gambling activity in the same manner as  
12 provided for under RCW 84.60.010. The lien shall attach on the date  
13 the tax becomes due and shall relate back and have priority against  
14 real and personal property to the same extent as ad valorem taxes.

15 NEW SECTION. **Sec. 2.** This act takes effect January 1, 2000.

Passed the Senate March 10, 1999.

Passed the House April 12, 1999.

Approved by the Governor May 7, 1999.

Filed in Office of Secretary of State May 7, 1999.