
SENATE BILL 5891

State of Washington 60th Legislature 2007 Regular Session

By Senators Tom, Kline, Regala and Spanel

Read first time 02/06/2007. Referred to Committee on Ways & Means.

1 AN ACT Relating to the taxation of professional athletes; and
2 adding a new section to chapter 82.02 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.02 RCW
5 to read as follows:

6 (1) A tax equal to ten percent is imposed on the adjusted gross
7 income of a professional athlete derived from Washington sources in
8 compensation for professional athletic labor or services.

9 (2) "Professional athlete" means:

10 (a) A resident or nonresident athlete who renders labor or services
11 to a professional athletic team that plays in a sports facility
12 financed with ten percent or more public funds; and

13 (b) A resident or nonresident athlete who has a gross annual income
14 that is ten times the first-year base salary of a public school teacher
15 in Washington state.

16 (3) "Adjusted gross income" means adjusted gross income as
17 determined under the United States internal revenue code of 1986 and
18 amendments thereto, as existing and in effect on January 1, 2006.

1 (4) A resident professional athlete is allowed a credit against the
2 tax imposed under this act for the amount of any income tax imposed by
3 another state or foreign country, or political subdivision of the state
4 or foreign country, on income taxed under this act.

5 (5) The tax on a nonresident professional athlete is determined by
6 using a fraction in which the denominator contains the total number of
7 days in which the individual is under a duty to perform for the
8 professional athletic employer, and the numerator is the total number
9 of those days spent in Washington.

10 (6) The athletic public facilities account is created in the state
11 treasury. All receipts from the tax imposed under this section shall
12 be deposited in the account. Moneys in the account may be spent only
13 after appropriation. Expenditures from the account may be used for the
14 support of public sports facilities.

15 (7) No taxes other than the income tax collected under this section
16 may be used to fund, finance, operate, or maintain a public stadium or
17 sports facility.

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