H-2050.1

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**HOUSE BILL 2317**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Representatives Orcutt, Eslick, and Jacobsen

AN ACT Relating to increasing the gross revenue threshold for unlicensed bingo, raffles, and amusement games conducted by charitable or nonprofit organizations; and amending RCW 9.46.0315, 9.46.0321, and 9.46.110.

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

**Sec.**  RCW 9.46.0315 and 2012 c 131 s 1 are each amended to read as follows:

Bona fide charitable or bona fide nonprofit organizations organized primarily for purposes other than the conduct of raffles, are hereby authorized to conduct raffles without obtaining a license to do so from the commission when such raffles are held in accordance with all other requirements of this chapter, other applicable laws, and rules of the commission; when gross revenues from all such raffles held by the organization during the calendar year do not exceed ((~~five thousand dollars~~)) $15,000; and when tickets to such raffles are sold only to, and winners are determined only from among, the regular members of the organization conducting the raffle. The organization may provide unopened containers of beverages containing alcohol as raffle prizes if the appropriate permit has been obtained from the liquor ((~~control~~)) and cannabis board((~~: PROVIDED, That~~)). However, raffles that exceed ((~~five thousand dollars~~)) $15,000 may also be conducted pursuant to ((~~the provisions of~~)) this section if the organization obtains a license from the commission((~~: PROVIDED FURTHER, That the~~)). The term members for this purpose shall mean only those persons who have become members prior to the commencement of the raffle and whose qualification for membership was not dependent upon, or in any way related to, the purchase of a ticket, or tickets, for such raffles.

**Sec.**  RCW 9.46.0321 and 1987 c 4 s 28 are each amended to read as follows:

Bona fide charitable or bona fide nonprofit organizations organized primarily for purposes other than the conduct of such activities are hereby authorized to conduct bingo, raffles, and amusement games, without obtaining a license to do so from the commission but only when:

(1) Such activities are held in accordance with all other requirements of this chapter, other applicable laws, and rules of the commission;

(2) Said activities are, alone or in any combination, conducted no more than twice each calendar year and over a period of no more than ((~~twelve~~)) 12 consecutive days each time, notwithstanding the limitations of RCW 9.46.0205((~~: PROVIDED, That a~~)). A raffle conducted under this subsection may be conducted for a period longer than ((~~twelve~~)) 12 days;

(3) Only bona fide members of that organization, who are not paid for such services, participate in the management or operation of the activities;

(4) Gross revenues to the organization from all the activities together do not exceed ((~~five thousand dollars~~)) $15,000 during any calendar year;

(5) All revenue therefrom, after deducting the cost of prizes and other expenses of the activity, is devoted solely to the purposes for which the organization qualifies as a bona fide charitable or nonprofit organization;

(6) The organization gives notice at least five days in advance of the conduct of any of the activities to the local police agency of the jurisdiction within which the activities are to be conducted of the organization's intent to conduct the activities, the location of the activities, and the date or dates they will be conducted; and

(7) The organization conducting the activities maintains records for a period of one year from the date of the event which accurately show at a minimum the gross revenue from each activity, details of the expenses of conducting the activities, and details of the uses to which the gross revenue therefrom is put.

**Sec.**  RCW 9.46.110 and 2020 c 70 s 1 are each amended to read as follows:

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

(2) The operation of punchboards and pull-tabs are subject to the following conditions:

(a) Chances may only be sold to adults;

(b) The price of a single chance may not exceed ((~~five dollars~~)) $5;

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

(d) All prizes available to be won must be described on an information flare. All merchandise prizes must be on display within the immediate area of the premises in which any such punchboard or pull-tab is located. Upon a winning number or symbol being drawn, a merchandise prize must be immediately removed from the display and awarded to the winner. All references to cash or merchandise prizes, with a value over ((~~twenty dollars~~)) $20, must be removed immediately from the information flare when won, or such omission shall be deemed a fraud for the purposes of this chapter; and

(e) When any person wins money or merchandise from any punchboard or pull-tab over an amount determined by the commission, every licensee shall keep a public record of the award for at least ((~~ninety~~)) 90 days containing such information as the commission shall deem necessary.

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

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

(c) No tax shall be imposed under the authority of this chapter on bingo or amusement games when such activities or any combination thereof are conducted by any bona fide charitable or nonprofit organization as defined in this chapter, which organization has no paid operating or management personnel and has gross receipts from bingo or amusement games, or a combination thereof, not exceeding ((~~five thousand dollars~~)) $15,000 per year, less the amount awarded as cash or merchandise prizes.

(d) No tax shall be imposed on the first ((~~ten thousand dollars~~)) $15,000 of gross receipts less the amount awarded as cash or merchandise prizes from raffles conducted by any bona fide charitable or nonprofit organization as defined in this chapter.

(e) Taxation of punchboards and pull-tabs for bona fide charitable or nonprofit organizations is based on gross receipts from the operation of the games less the amount awarded as cash or merchandise prizes, and shall not exceed a rate of ((~~ten~~)) 10 percent. At the option of the county, city-county, city, or town, the taxation of punchboards and pull-tabs for commercial stimulant operators may be based on gross receipts from the operation of the games, and may not exceed a rate of five percent, or may be based on gross receipts from the operation of the games less the amount awarded as cash or merchandise prizes, and may not exceed a rate of ((~~ten~~)) 10 percent.

(f) Taxation of social card games may not exceed ((~~twenty~~)) 20 percent of the gross revenue from such games.

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

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