

CERTIFICATION OF ENROLLMENT

**ENGROSSED SUBSTITUTE HOUSE BILL 1862**

Chapter 141, Laws of 2024

68th Legislature  
2024 Regular Session

DISABLED VETERAN ADAPTIVE RECREATIONAL AND REHABILITATION FACILITIES—  
TAX EXEMPTIONS

EFFECTIVE DATE: October 1, 2024

Passed by the House February 15, 2024  
Yeas 90 Nays 0

LAURIE JINKINS

**Speaker of the House of  
Representatives**

Passed by the Senate March 4, 2024  
Yeas 49 Nays 0

DENNY HECK

**President of the Senate**

Approved March 18, 2024 3:08 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1862** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

March 19, 2024

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE HOUSE BILL 1862**

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Passed Legislature - 2024 Regular Session

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

**By** House Finance (originally sponsored by Representatives Leavitt, Barnard, Tharinger, Graham, Couture, Duerr, Barkis, Bronoske, Slatter, Chapman, Simmons, Jacobsen, Timmons, Callan, Street, Sandlin, Donaghy, Doglio, Goodman, Caldier, Robertson, Hutchins, Reeves, Lekanoff, Riccelli, Hackney, Pollet, and Shavers)

READ FIRST TIME 01/22/24.

1            AN ACT Relating to providing tax exemptions for the assistance of  
2 disabled veterans and members of the armed forces of the United  
3 States of America; adding a new section to chapter 82.04 RCW; adding  
4 a new section to chapter 82.08 RCW; adding a new section to chapter  
5 82.12 RCW; creating a new section; providing an effective date; and  
6 providing expiration dates.

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

8            NEW SECTION.    **Sec. 1.**    (1) This section is the tax preference  
9 performance statement for the tax preference contained in sections 2  
10 through 4, chapter . . ., Laws of 2024 (sections 2 through 4 of this  
11 act). This performance statement is only intended to be used for  
12 subsequent evaluation of the tax preference. It is not intended to  
13 create a private right of action by any party or to be used to  
14 determine eligibility for preferential tax treatment.

15            (2) The legislature categorizes this tax preference as one  
16 intended to provide tax relief for certain businesses or individuals,  
17 as indicated in RCW 82.32.808(2)(e).

18            (3) It is the legislature's specific public policy objective to  
19 reduce the tax burden on individuals and businesses imposed by the  
20 existing business and occupation tax rates.

1 (4) If the review finds that there is an increase of the  
2 utilization of adaptive recreational and rehabilitation facilities by  
3 disabled veterans and members of the armed forces of the United  
4 States of America then the legislature intends to extend the  
5 expiration date of this tax preference.

6 (5) In order to obtain the data necessary to perform the review  
7 in subsection (4) of this section, the joint legislative audit and  
8 review committee may refer to any data collected by the state.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04  
10 RCW to read as follows:

11 (1) This chapter does not apply to any amounts received as the  
12 result of sales on a federal military reservation by a nonprofit  
13 organization under Title 26 U.S.C. Sec. 501(c)(3) of the federal  
14 internal revenue code of 1986, as amended, as of the effective date  
15 of this section, that operates an adaptive recreational and  
16 rehabilitation facility dedicated to the assistance of disabled  
17 veterans and members of the armed forces of the United States of  
18 America.

19 (2) For the purposes of this section, "adaptive recreational and  
20 rehabilitation facility" means a facility that provides activity  
21 modifications, assistive technologies, or other services to allow  
22 people with disabilities to participate in recreational activities,  
23 sports, or physical rehabilitation efforts.

24 (3) This section expires January 1, 2035.

25 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.08  
26 RCW to read as follows:

27 (1) The tax levied by RCW 82.08.020 does not apply to sales made  
28 on a federal military reservation by a nonprofit organization under  
29 Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code  
30 of 1986, as amended, as of the effective date of this section, that  
31 operates an adaptive recreational and rehabilitation facility  
32 dedicated to the assistance of disabled veterans and members of the  
33 armed forces of the United States of America.

34 (2) For the purposes of this section, "adaptive recreational and  
35 rehabilitation facility" means a facility that provides activity  
36 modifications, assistive technologies, or other services to allow  
37 people with disabilities to participate in recreational activities,  
38 sports, or physical rehabilitation efforts.

1 (3) This section expires January 1, 2035.

2 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.12  
3 RCW to read as follows:

4 (1) The tax levied by RCW 82.12.020 does not apply to the use of  
5 tangible personal property purchased on a federal military  
6 reservation sold to a disabled veteran or member of the armed forces  
7 by a nonprofit organization under Title 26 U.S.C. Sec. 501(c)(3) of  
8 the federal internal revenue code of 1986, as amended, as of the  
9 effective date of this section, that operates an adaptive  
10 recreational and rehabilitation facility dedicated to the assistance  
11 of disabled veterans and members of the armed forces of the United  
12 States of America.

13 (2) For the purposes of this section, "adaptive recreational and  
14 rehabilitation facility" means a facility that provides activity  
15 modifications, assistive technologies, or other services to allow  
16 people with disabilities to participate in recreational activities,  
17 sports, or physical rehabilitation efforts.

18 (3) This section expires January 1, 2035.

19 NEW SECTION. **Sec. 5.** This act takes effect October 1, 2024.

Passed by the House February 15, 2024.  
Passed by the Senate March 4, 2024.  
Approved by the Governor March 18, 2024.  
Filed in Office of Secretary of State March 19, 2024.

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